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NEWS SUMMARY

GENERAL

Thatcher hits back at Paisley

Prime Minister Mrs. Thatcher flew out of Ulster last night after calling the Rev. Ian Paisley MP a "desperate man" for opposing her Dublin summit talks.

Earlier Mr. Paisley had accused her of treachery, and of "lying through her teeth" about her talks with Irish Republic Premier Charles Haughey.

Mrs. Thatcher said Mr. Paisley's remarks reflected on him rather than at the person at whom they were directed. She repeated that Ulster's constitution future was guaranteed. "There is no plot, no sell-out," she said.

Chinese reshuffle

China has announced a Government reshuffle, with Vice-Premier Geng Biao taking the Defence Ministry. The leader, vice-chairman Deng Xiaping, appears to have strengthened his grip. **Back Page**

Iran says No

Iran's supreme defence council has said the Islamic conference delegation's peace proposals are unacceptable. **Page 2**

Solidarity move

Polish union Solidarity said it had placed dissident Adam Michnik under the protection of a workers' guard following an unsuccessful police attempt to serve him with a court summons. **Polish situation serious. Page 2**

Diplomat expelled

Spain has expelled a Soviet diplomat for "activities incompatible with his diplomatic status and against state security."

Helicopters crash

Five naval airmen were missing after two helicopters from the carrier HMS Invincible crashed south of the Isle of Wight. Three were rescued.

Shot in court

Man on trial in Luebeck, West Germany, charged with murdering a girl of seven was shot dead in court by the girl's mother, said a Justice official.

Oxford vote case

Oxford University students' union has set up a tribunal to inquire into alleged ballot-rigging in voting for its president and vice-president.

Lonrho loses

Three Appeal Court judges *unanimously* ruled that Lonrho's £116m damages claim against Shell and BP had no legal basis. **Page 3**

No milk inquiry

Gordon Borrie, director general of fair trading, said he would not be referring the supply of milk to supermarkets to the Monopolies Commission. **Page 20**

Chunnel backed

An all-party select committee of of MPs unanimously backed a single rail tunnel to link England with France. **Page 3**

Briefly . . .

Speaker George Thomas, an MP for 39 years, will retire at the end of the present Parliament. **Page 3**

Nuremberg police detained 172 squatters, after shop windows and cars were damaged.

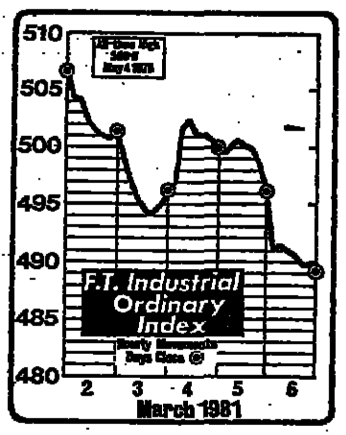
Workers in seven UK factories making contraceptive pills are to have medical checks following reports that men have developed breasts.

Dead: British actress Brenda de Banzie, 65; Edgar Harburg, 84, composer of "Over the Rainbow," in a Los Angeles car accident.

BUSINESS

Equities weaker; sterling down 1c

● **EQUITIES were weaker ahead of the Budget. The FT 30-share index closed 7.1 down at 489.1, a fall on the week of 17.5. Page 22**



● **GILTS** were easier. The Government Securities Index finished 0.25 lower at 68.36. **Page 22**

● **STERLING** was easier ahead of the Budget and the likelihood of an interest rates cut. It lost one cent to close at $2.1940. It was unchanged at SwFr 4.2850 but fell to DM 4.6850 (DM 4.7100) and FFr 10.9950 (FFr 11.0850). Its trade weighted index was 98.7 (99.0). **Page 21**

● **DOLLAR** was unchanged at DM 2.1350. It finished at SwFr 1.9550 (SwFr 1.9425) but held steady at Y208.80. Its trade weighted index rose to 100.8 (100.7). **Page 21**

● **GOLD** rose $5 to $468.50. **Page 21**

● **WALL STREET** was down 0.52 at 964.10 near the close. **Page 18**

● **NEB** scheme to float off nine small subsidiaries into a holding company more than 50 per cent privately owned was approved by the Government. **Back Page**

● **METRO** nearly pushed the Ford Cortina out of first place in best selling cars list last month. **Back Page**

● **BRITISH BANKING** syndicate signed part of the biggest UK loan package to Zimbabwe since its independence. **Back Page**

● **OFFSHORE OIL** consortium led by Shell UK made North Sea discovery 95 miles east of Aberdeen. **Page 3**

● **ULSTER ELECTRICITY** tariffs cut is expected to cost the Government at least £60m a year. **Page 3**

● **WATER WORKERS** voting results on pay offer swung back towards rejection. **Page 3**

● **SINGAPORE** faces a difficult year and 1982 will be even harder, the Trade and Industry Minister said in his Budget speech. **Page 2**

● **WAGON-LITS**, the Belgian-based railway services and hotels group, expects sharply higher profits for 1980. **Page 19**

● **ASSOCIATED NEWSPAPERS** was given outline planning permission to build a printworks in the Surrey docks area of London. **Back Page**

● **UNITED NUCLEAR** Corporation, a U.S. uranium extraction company, may bid for NCC Energy. **Page 16**

● **CREST HOTELS**, a Bass group subsidiary, paid more than £9m for a controlling interest in four Hollstein Hotels in West Germany. **Page 16**

● **RENTOKIL**, pest control and timber preservation group, reported lower 1980 pre-tax profits of £12.76m (£13.02m) after a mid-year forecast of a strong advance. **Page 16; Lex, Back Page**

CHIEF PRICE CHANGES YESTERDAY

(Prices in pence unless otherwise indicated)

RISES

Bond Street Fabrics	30	+ 4
Channel Tunnel	170	+ 35
Coronet Indust. Secs.	78	+ 10
Hunting Assoc.	338	+ 11
London United	195	+ 7
Roberts Adlard	113	+ 10
Sidlaw	136	+ 10
Travis & Arnold	152	+ 8
NCC Energy	118	+ 26
Star Offshore	63	+ 9
De Beers Defd.	362	+ 7
Gencor	800	+ 25
RTZ	428	+ 8
West Driefontein	£32	+ 1½
Western Mining	244	+ 5

FALLS

Treasury 13¼% 1997	£96	− ⅛
Avana	220	− 10
BAT Inds.	277	− 13
BTR	394	+ 10
British Aerospace	171	− 5
Farnell Elec.	350	− 18
General Accident	314	− 10
Glaxo	284	− 6
Gordon & Gotch	133	− 12
Grand Met.	174	− 5
Great Portland Ests.	226	− 10
Hambro Life	337	− 13
Herrburger Brooks	68	− 6
Lucas Inds.	182	− 7
Midland Bank	320	− 15
NatWest Bank	350	− 15
Pilkington	290	− 10
Plessey	310	− 5
Racal Elec.	350	− 8
Rentokil	150	− 10
Standard Telephones	485	− 13
Unitech	236	− 16
LASMO	620	− 25
Premier Cons.	99	− 5
Tricentrol	296	− 10

Standard Oil raises AMAX takeover bid to record $4.3bn

BY PAUL BETTS IN NEW YORK

STANDARD OIL of California (Socal), the fourth largest U.S. oil company, has made a bid valued at up to $4.3bn (about £2bn) for AMAX, a leading U.S. minerals and mining concern, in what would be the largest corporate takeover in history. Amax directors did not reject the offer outright, but said they would not support it.

The bid is Socal's second attempt in barely two years to take over AMAX, which is the leading supplier in the U.S. of molybdenum, used in the production of special steel alloys. The company also has a wide range of other mining, metals and energy interests. British Petroleum has a 6.8 per cent interest in AMAX.

If the offer goes through, it would top the previous record corporate acquisition — Shell Oils $3.65bn. Takeover of Belridge Oil at the end of 1979.

Socal is proposing a deal that would involve a tax-free exchange of cash, Socal common stock and Socal convertible preferred stock for a value of about $78.50 a share in return for each unit of AMAX common stock. This would amount to a total of $3.89bn or about double what Socal had offered in 1978.

But Socal has also made provision for price adjustments in its offer, with a possible maximum value of $86.75 for each AMAX share. The exact value of the offer would depend on fluctuations in the price of Socal common stock. At $86.75 per AMAX share, the 79 per cent of AMAX not already owned by Socal would be valued at $4.3bn.

In early dealings yesterday, AMAX shares jumped to a range of $54-$60 a share from a close on Thursday of $38.50. Socal shares were down $1⅞ to $86.75.

Even at $78.50, Socal would be offering a substantial premium over the current market value of AMAX stock.

Socal already holds some 21 per cent of AMAX, which it brought in 1975 when the minerals groups was headed by Mr. Ian MacGregor, now the chairman of the British Steel Corporation. The latest bid, described by Wall Street dealers yesterday as very generous, reflects the cash-rich Californian oil company's continuing attempts to diversify its natural resources base.

AMAX directors said after a board meeting that they would not support the offer. The company gave no reasons for this stand, although in 1978, it opposed Socal's previous $1.9bn takeover bid. Socal decided then not to put up an extended fight for the minerals company.

Socal said yesterday it was surprised by the response because it had been negotiating the proposed deal with Amax for some months. Indeed, the oil company was somewhat dismayed by the decision of AMAX to disclose its latest offer. It was not clear alst night whether it would persist with its latest bid in the face of the AMAX directors' attitude.

During Socal's 1978 takeover attempt, AMAX opposed the merger on anti-trust grounds. But the company did not cite anti-trust reasons yesterday for its directors' decision not to support the deal.

The directors' stance was taken here as an indication of their concern over possible reactions by AMAX shareholders, including British Petroleum, to Socal's substantial offer.

The size of the offer also suggests that Socal strategy this time was to make an offer which could be refused only with difficulty.

Socal last year earned $2.4bn on revenues of $42.9bn, while AMAX earned $770.4m on sales of $3bn.

Mining, Page 4; Lex, Back Page

Telecom debt limit trebled in blow to Government line

BY JASON CRISP

A FURTHER blow to Government policy on the financing of nationalised industries was struck yesterday when Sir Keith Joseph, Industry Secretary, announced that British Telecom's borrowing limits for the current year, are to be trebled.

British Telecom is the sixth nationalised industry this year to have forced the Government to increase its external financing limits. It follows British Steel, British Shipbuilders, The National Coal Board, British Airways and British Rail.

Sir Keith said in a written Parliamentary answer that British Telecom was being allowed to increase its borrowings to compensate for the effects of the recession and for increased working capital requirements. This was needed because of difficulties in forecasting stock levels following industrial action the previous year.

British Telecom's 1980/81 external financing limit of £78m is to be increased to £223m. Sir Keith said British Telecom had warned him it would be unlikely that its real return on net assets would exceed 5 per cent. Its original borrowing limit had been set on the assumption that it would have a return of 6 per cent.

Sir George Jefferson, chairman of British Telecom immediately welcomed the decision and pointed out that it still fell short of the real need this year. "We desperately need to be able to borrow more, particularly in the coming year to protect investment vital to all our customers' interest," he said.

British Telecom has been discussing with the Government ways of raising finance other than direct borrowing from the National Loans Fund to boost its financing limit for 1981-82 of £180m. One solution, which appeals to the corporation, would be to issue "telecom bonds", the return on which would be geared to British Telecom's turnover. It would like to raise an additional £360m in the coming financial year.

Although British Telecom lost £19m in the first six months, on sales of about £2bn it is expected to be in profit for the full year, ending March 31. Turnover for the whole year is expected to be £4.5bn, an increase of 26 per cent.

In November, British Telecom raised tarriffs by an average 17 per cent which was expected to raise £280m in the current financial year. It was its second increase in 10 months. It has also deferred payment on orders with some of its major suppliers until next year.

Lockwoods calls in the Receiver

BY CHRISTINE MOIR

LOCKWOODS FOODS, one of the leading fruit and vegetable canners, has called in the Receiver. More than 1,200 jobs are at stake, mostly in Lincolnshire which has already been hard hit by recent caning factory closures.

Just before Christmas, Lockwoods laid off 400 employees when it closed its Boston cannery. A month later Smedley-HP, part of Imperial Group, closed its Wisbech factory with the loss of 480 jobs.

The canning industry is suffering from severe overcapacity in certain areas, particularly in seasonal fruit and vegetables where Lockwoods probably has about 30 per cent of the market.

One of the banks involved in recent months in attempts to rescue Lockwoods said rationalisation had clearly been a necessity, but the weak state of the industry as a whole had made it impossible to mount defensive mergers of Lockwoods with any other group.

At the same time Lockwoods' borrowings continued to rise, until it was clearly over-geared. In the balance sheet for the year to the end of May there were borrowings of £14.6m compared with shareholders' funds and reserves of £6.6m. Since then borrowings have risen to about £16m.

High interest rates meant that Lockwoods had to pay out £3.5m last year to service the borrowings, although trading profits amounted to only £343,000 on a turnover of £55.5m.

It is unlikely that anything will be salvaged for shareholders, who include Imperial Group's pension fund and Industrial and Commercial Finance Corporation besides the Lockwoods family which controls some 60 per cent of the shares.

The receiver had not yet begun work yesterday but his task is not expected to be easy. According to one industry estimate stocks of seasonal fruit and vegetables are already sufficient to meet demand for the full year and the main canning season has not yet even begun.

Lockwoods' shares, which have been as low as 20p this year, rallied 2p yesterday to 34p before the company asked for trading to be suspended. At that level the market put a value of just over £2m on the group.

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For latest Share Index 'phone 01-246 8026

MLR cuts will lower overdrafts, mortgages

By Peter Riddell and Michael Cassell

THE COST of bank overdrafts and of building society mortgages will be cut next week following the large reduction in Minimum Lending Rate which is virtually certain to be announced in the Budget on Tuesday.

Money market interest rates were yesterday indicating an MLR of 12 per cent compared with the present 14 per cent.

The big question for Sir Geoffrey Howe, the Chancellor, and his advisers is whether to cut MLR merely in line with market rates or to be bolder in an attempt to meet some of industry's worries; and possibly also to influence the exchange rate.

The recent sharp fall in sterling — a drop of 5½ per cent in the trade-weighted index in the last three weeks — could make the authorities cautious. The decision will largely depend on the balance of the rest of the Budget package and how Sir Geoffrey intends to relaunch the medium-term financial strategy.

The latest signs are that a cut in MLR is likely to be the main good news in a Budget which will otherwise almost certainly increase the real burden of taxation on wage-earners and offer only small concessions to industry and small businesses.

If MLR is cut by 2 percentage points, the banks are likely to reduce thier interest base rates in line, to 12 per cent. That will mean that a top-quality industrial borrower will pay 13 per cent for an overdraft, and personal customers between 15 and 17 per cent.

The extent to which the building societies cut their rates will be affected by the scale of any fresh National Savings initiatives. These are likely to be considerable and will include a further cut in the qualifying age for the "granny bond" inflation-proofed bonds.

Early indications are that net building society receipts in February fell to less than £350m from £446m in January, because of a shift to National Savings.

Continued on Back Page
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£ in New York

—	Mar. 5	Previous
Spot	$2.2000-2020	$2.2100-2120
1 month	0.60-0.65 pm.	0.35-0.40 pm.
3 months	2.30-2.40 pm.	2.20-2.30 pm.
12 months	7.80-8.00 pm.	7.80-8.00 pm.

U.S. plans sale of missiles to Saudi Arabia

BY DAVID BUCHAN IN WASHINGTON

THE U.S. plans to sell long-range fuel tanks and missiles to Saudi Arabia for its F-15 fighter aircraft fleet and the costly and sophisticated advance warning and control system (AWACS) radar aircraft. It also moved to defuse opposition to the sale by promising more aid to Israel.

State Department officials said yesterday the sales to Saudi Arabia were designed to counter "Soviet penetration" in the region and were "the first step to rebuild confidence" in the U.S. among America's friends. This had been shaken by the "drift and disarray" of policy under former President Jimmy Carter.

The officials said that Saudi Arabia made no commitment to align itself with U.S. mediation efforts in the Arab-Israeli dispute. Nor were there signs yet that the Saudis were willing to provide bases or facilities to the U.S. rapid deployment force, which neighbouring Oman has done.

But Washington expects an increase in general security co-operation from Saudi Arabia, which may provide more aid to other pro-West regimes in the area, such as Pakistan.

The proposed sales are likely to stir controversy in and out of the U.S. Congress which, once it is formally notified, can act to block the supplies by a majority of both Houses within 30 days. Senator Joe Biden, a Democrat, said yesterday he would introduce a resolution of disapproval—virtually ensuring President Ronald Reagan his first foreign policy battle on Capitol Hill.

After a fight in Congress in 1978, Saudi Arabia was allowed to buy 62 U.S.-built F-15 fighters as part of a package which also allowed Israel 40 of the aircraft. The package narrowly passed through Congress on Mr. Carter's promise that the Saudis would not receive the equipment needed to enable their F-15s to reach or threaten Israel.

The Reagan Administration said in a statement that circumstances in the region had changed dramatically since Mr. Carter gave Israel those assurances. It listed the Soviet invasion of Afghanistan, Soviet presence in South Yemen and Ethiopia and the Iran-Iraq war as underlining general Middle East instability.

U.S. officials discounted the possibility of the Saudi F-15s being used against Israel, but agreed that the sharp oposition to the sale voiced in Washington recently by Mr. Yitzhak Shamir, the Israeli Foreign Minister, was based on legitimate concern.

The Administration proposes giving Israel an extra $300m (£137m) foreign military sales credits in both the 1982-83 and 1983-84 fiscal years. Officials said Israel might want to buy 10 to 15 more F-15s to augment the 40 for which it has already contracted, or buy other equipment the purchase of which it has had to defer due to financial problems.

In addition, the U.S. has promised to smooth the way for Israel to sell its Kfir fighters in third country markets. Since the Kfir uses a U.S.-designed engine, Washington must approve its export.

President Reagan said yesterday that sending American troops to El Salvador was "not in our reckoning" at present.

In his second formal presidential Press conference, which was dominated by questions on El Salvador, Mr. Reagan supported President Duarte's announcement on Thursday committing his regime to democratic elections next year. He added that a Right-wing coup in the central American country would be "of great concern" to the U.S.

F-15 delivery to Saudi Arabia is due to start this year, but it will not be able to get the extra fuel tanks from the U.S. for several years. If the Saudis want the tanks at once, Israel would be their only source, it emerged yesterday.

The U.S. Air Force does not use the extra fuel tanks. Israel, the sole user, makes them under licence from McDonnel Douglas, the aircrafts' maker.

The Saudis would get the sidewinder air-to-air missiles they have requested, but the eRagan Administration is still considering the Saudi request for bomb racks to convert F-15 or other fighters into bombers. U.S. officials said thye were examining to what extent Saudi Arabia faced a ground threat, possibly from Iraq.

The fall of the hSah of Iran and the subsequent Gulf war between Ira nand Iraq has much concerned the Saudis who have a large air space to defend. U.S. officials said.

Last year Saudi Arabia was given temporary radar cover from AWACS planes flown from the U.S.

The Shah had also wanted to buy AWACS aircraft, and there is bound to be some concern that should the regime in Saudi Arabia change, modern U.S. weapons might fall into the wrong hands, as happened in Iran.

Iran rejects peace proposal, Page 2; UK defence spending, Page 3

OVERSEAS NEWS

Iran rejects Islamic plan for Gulf peace

BY TERRY POVEY IN TEHRAN

IRAN'S Supreme Defence Council has rejected peace proposals put to it by the Islamic Conference delegation four days ago to end the Gulf war.

Addressing Friday Prayers in Tehran yesterday, Hojatolislam Mohammed Ali Khamenie, the council's spokesman, said: "The proposals are unacceptable to the Iranian nation and we consider an imposed solution to be as bad as an imposed war."

Mr. Khamenie, who is also a member of the Central Committee of the Islamic Republican Party, the powerful fundamentalist group which opposes President Abolhassan Bani-Sadr, stressed that the council's decision was unanimous. Mr. Bani-Sadr is chairman of the council and several of Iran's senior military chiefs are also members.

Diplomats involved in last week's talks say however, that despite this negative statement some members of the council still want the talks to continue while others, including Mr. Khamenie, have been adamant that Iran should continue fighting.

"We are not war-weary," Mr. Khamenie said in his Friday sermon. "The army, the Revolutionary Guards and everyone are ready to fight for the sake of Islam."

Mr. Khamenie was careful to point out that he was not criticising the Islamic Conference delegation but that without trial and punishment for Iraq's president, Saddam Hussein, ending the war could not be justified to those who had suffered as a result of it, whether in Iran or Iraq.

Meanwhile, repercussions to events at Thursday's rally in Tehran University continue to grow. At the rally Mr. Bani-Sadr urged his supporters to *deal with fundamentalist* hecklers and this resulted in many being arrested and about 45 people being treated for injuries in hospitals.

Several leaders of the Islamic Republican Party in Friday Prayer speeches across the country indirectly accused the President of having sponsored an attack on revolutionary institutions.

Mr. Khamenie related the rally events to the war, saying: "*If the internal situation* becomes even more disturbed, then those who want to use force to bring about a wrong solution to the war will get their way."

He claimed that those who responded to the President's call to deal with the hecklers were "filthy expelled politicians and remnants of the late Shah's secret police."

"The fundamentalist Establishment, which controls the Government, Parliament and most of the media, is clearly shocked and taken aback by Mr. Bani-Sadr's action on Thursday. The Prime Minister's office has demanded that the President disown the action of his supporters or take responsibility for it.

The gulf opened up as a result of these events between the President and his opponents is qualitatively different from that acknowledged to have existed in the past. No doubt the fundamentalists are now waiting and hoping that Iran's revolutionary leader, Ayatollah Khomeini, will admonish Mr. Bani-Sadr.

Assassinations in Beirut

While the Islamic peace mission sought an end to the five-month-old war between Iraq and Iran, agents of the two countries have engaged in a wave of assassinations in Beirut, Ihsan Hijazi reports.

A consultant on Mid-east affairs to Ayatollah Khomeini, was gunned down on Thursday, and a few hours later a member of the Lebanese branch of the pro-Iraqi Baath Party was murdered.

Two officials of the Iraqi embassy here escaped injury when their car came under a hail of machine-gun bullets, and last week, two other officials of the same embassy were shot dead in a car chase.

The wave assassinations has added to the anxiety of the Lebanese Government, following the kidnapping last month of the Jordanian chargé d'affaires, whose whereabouts are still unknown.

Wholesale prices in U.S. rise by 0.9%

By Jurek Martin in Washington

THERE WAS a fractional decline in the rate of increase of both wholesale prices and unemployment in February, the U.S. Government reported yesterday.

The producer price index went up by 0.9 per cent in the month compared with January's 0.8 per cent. On an unadjusted basis, wholesale prices stood 10.4 per cent higher than 12 months ago.

The overall picture, however, disguised some marked sectoral swings. Energy prices, influenced by rising international levels and the Administration's decision to remove the remaining federal price controls on domestic oil, soared 3.6 per cent, the biggest increase in nearly a year, with petrol alone going up by 4.7 per cent and home heating oil by 6.5 per cent.

But wholesale food prices fell by 0.6 per cent, the first decline since April last year.

Unemployment dropped to 7.3 per cent from the 7.4 per cent level of the previous two months. Teenage unemployment rose to 19.3 per cent, one and a half points higher than in December.

But black and other minority teenage unemployment actually fell by 1.1 points—though it still stands at a disturbing 33.4 per cent.

Peru, Ecuador border truce

PERU and Ecuador yesterday announced an "immediate peace" on their disputed frontier but left a definitive solution of their conflict to four mediating nations, the U.S., Chile, Argentina and Brazil, Reuter reports from Lima.

After a week of talks between military delegations, they apparently agreed to a ceasefire and separation of troops in the Condor Mountains, 150 miles from the Pacific coast, where there have been two outbreaks of fighting this year following

Cabinet changes in Seoul

THE South Korean Government resigned yesterday but President Chun Doo-Hwan reappointed most members to their previous Ministries after making minor changes, Reuter reports from Seoul.

The Cabinet resigned in accordance with normal procedures after President Chun's inauguration for a further seven-year term last Tuesday.

Qantas strikers vote to return

The month-long staffing strike of Qantas employees ended yesterday when a mass meeting voted to return to work, without winning any significant concessions, Colin Chapman reports from Sydney.

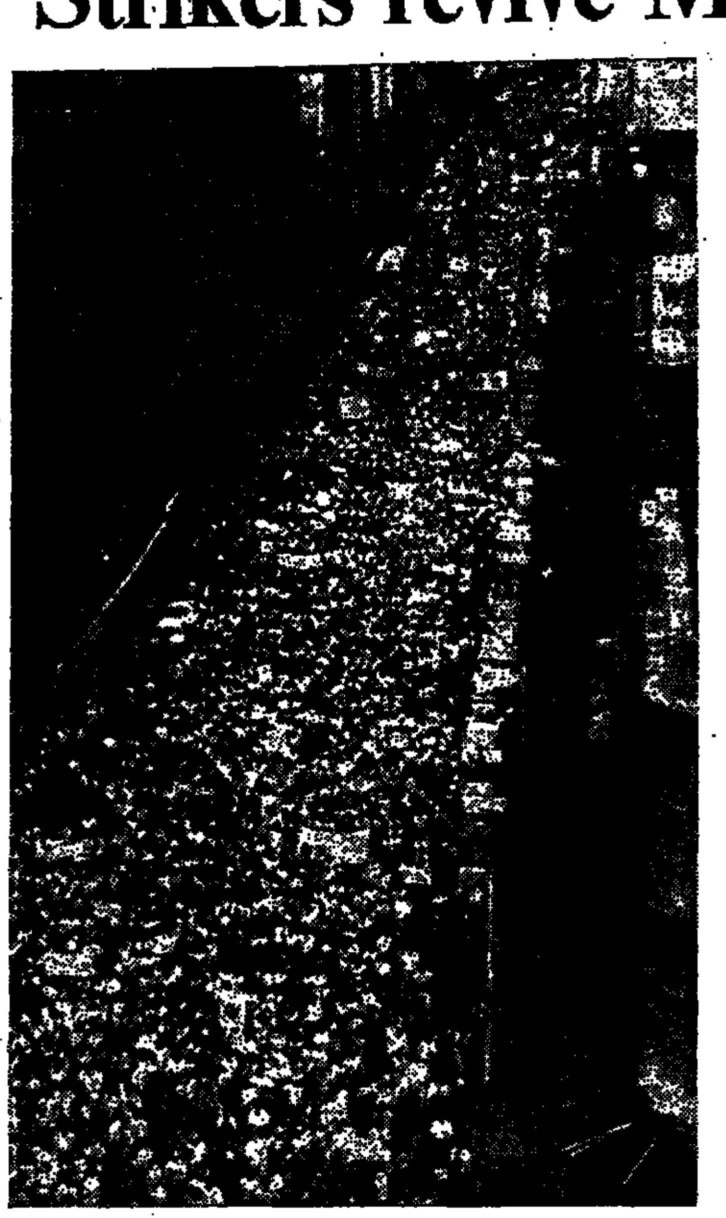
Qantas, which has kept many of its aircraft in the air through the use of staff labour, says it expects schedules to return to normal *tomorrow, but claims the dispute* has lost it A$20m (£10.5m).

Zimbabwe emigration figures up

More people left Zimbabwe during January this year than in any other month since December 1978, according to official figures released yesterday, our Salisbury correspondent writes. The figures show that 2,193 people emigrated in January, against 2,600 in December 1978. However, the figures also show a sharply higher level of immigration with 1,015 people coming into the country — the highest figure for more than six years.

Dai Hayward in Wellington reports on New Zealand's week of industrial confrontation

Strikers revive Muldoon's flagging fortunes



Some 30,000 New Zealanders march through Auckland in protest at union militancy.

THE SEVEN days of industrial upheaval in New Zealand became first a bitter confrontation with the Government and then with the public at large has set the union movement back at least 20 years, creating new divisions and widening old ones within New Zealand society. The industrial confrontation certainly strengthened the personal position of Mr. Robert Muldoon, the Prime Minister, and improved his Government's election prospects.

At one stage towards the end of the week, Mr. Muldoon, who has extremely sensitive political antennae, must have seriously considered the benefits of a snap general election if the crisis continues. Had this been held, the National Party would have won comfortably. Several *MPs were preparing for a quick* election. and some National Party MPs are privately disappointed that Mr. Muldoon did not go to the polls.

An election on the issue of "who runs the country—the unions or the Government?" would have attracted many voters who had become disillusioned with the Government and its record of the past two and a half years.

Even without a snap election, the Government has gained from the turmoil and its stand against the strikers. The 60,000 strikers created sudden and widespread disruption to transport, food and milk deliveries, petrol supplies and many other services, which gave many people, including a large number of unionists, a feeling that the dispute was being deliberately and recklessly provoked by a small group of extreme Left-wing union leaders and officials.

This belief was confirmed by the refusal of six men arrested on a picket line at Auckland Airport to accept bail, choosing instead to stay in jail "until the Government changes the picket laws," something which, with Parliament not sitting, the Government could not do even if it wanted to. By staying in prison the six elicited an emotional response from many unionists who would not return to work while union colleagues were in jail.

The strikes also effectively diverted public attention from the growing success and attraction of the Social Credit Party. This too will have pleased the Prime Minister.

With the public opinion polls now showing Social Credit to have around 30 per cent of public support, the party, even though it has only two seats in Parliament now, undoubtedly threatens both the National and the Labour Parties.

Two weeks ago, most people, of all shades of political opinion, accepted as almost inevitable that Social Credit will hold the balance of power after the next election. Social Credit itself is convinced it will replace Labour as the major Opposition, while many of its supporters firmly believe it can win enough seats to form a Government.

The National Party Government had lost the confidence of a large sector of the public, even among its traditional and usually loyal farming supporters, who have been turning

Now at last, after a long period of indecisiveness over all types of issues, the Government has given the farms, traditionally suspicious and even fearful of unions, a demonstration of what they have been looking for: a firm stand by the Government and a refusal to back down in the face of massive and apparently solid union action.

It was significant that Mr. Muldoon's attitude to the strikers and the unions hardened as the week went by.

Mr. Muldoon had been most conciliatory for him. Earlier in the week he was quick to offer to review the laws relating to picketing. Five days later not only had he offered nothing new but he had hardened conditions by demanding that all the strikers return to work before the Government would even consider whether to review the picketing laws.

Sensing he had the unions on the retreat, Mr. Muldoon refused categorically to drop charges *against the arrested men.* The Federation of Labour claims that earlier the Prime Minister had indicated this might be done. Mr. Muldoon denies this, but whatever the earlier indications, the Prime Minister was firmly calling the tune by the *end of the week.*

The strikers went back with a weaker deal than they could have had five days before. The reputations and status of the various unions and even the Federation of Labour itself have been severely damaged and public opinion has rallied strongly against strikes, strikers, militant union leaders and unions generally.

Many National Party supporters had lost confidence in the Government. They had been looking towards a new political party to lead New Zealand out of its economic wilderness. Now their faith has been revived.

Polish situation 'serious' after hard-line communique

BY CHRISTOPHER BOBINSKI IN WARSAW

POLISH Government officials yesterday described the sudden deterioration in relations with Solidarity, the independent trade union, as "very serious." The Solidarity National Committee is to hold an extraordinary meeting today in Warsaw, and talks between the Government and union may take place shortly.

It is generally recognised here that the Government's freedom to make concessions to the union is not great following this week's talks in Moscow between Mr. Stanislaw Kania, the Polish party leader, and Mr. Leonid Brezhnev, the Soviet President, which resulted in a hard-line communique.

Mr. Jacek Kuron, an adviser to the union and a well known dissident activist who was temporily detained on Thursday and charged with defaming the Government will attend today's Solidarity meeting. It was *reported yesterday that* the authorities are planning a similar move against Mr. Adam Michnik, one of Mr. Kuron's close associates. In Lodz, the Solidarity branch is to consider strike action over the dismissal of five members from a hospital.

The Polish Parliament yesterday debated a preliminary version of a Bill *setting* up "farmer' circles" to represent farmers' interests. This idea has been rejected by the farmers, who want their own trade union. A national congress of Rural Solidarity, which claims over 500,000 supporters, is to meet on *Sunday in Poznan to press* this demand.

In Parliament, Mr. Janusz Zablocki, a Catholic deputy, echoed the Polish Church's support for the farmers when he said that the new law should include a provision for a farmers' trade union. Farmers in Tarnobrzeg province in the south have threatened to withhold food supplies if Parliament does not pass such a law.

One point of friction between the Government and Solidarity was removed yesterday when Mr. Mieczyslaw Rakowski, the Deputy Premier, told Parliament *that the draft of a new* law limiting censorship would be presented "within ten days." The draft should have been presented by January 15 and the delay had caused concern.

Yesterday's issue of Zycie Warszawy, the Warsaw daily paper which reflects moderate opinion in the Polish leadership, *published an interview* with one of the authors of a new party statute prepared at the party school of social sciences.

The draft aims at strengthening the rights of rank and file party members and introducing *more democracy into the party.* The appearance of the interview shows that despite the recent conservative shift by the leadership, moderate opinion is still a force to be reckoned with.

Thorn will seek to end EEC fisheries deadlock

BY JOHN WYLES IN BRUSSELS

M. GASTON THORN, President of the European Commission, is to make an urgent personal appeal on Monday to the British and French Governments to settle their differences and clear the way for an agreement on an EEC Common Fisheries Policy.

With the originally agreed deadline of the end of 1980 for a settlement now past, anxieties are growing in the Commission that the deadlock over fisheries may affect imminent negotiations on the 1981 farm price package.

M. Thorn is a firm believer in the importance of top-level contacts and is hoping that a last-minute personal initiative may improve the prospects for agreement at a meeting of *Fisheries Ministers here next* Tuesday.

On Monday, he will see Lord Carrington, the British Foreign Secretary, and Mr. Peter Walker, Britain's Agriculture and Fisheries Minister. He will then go on to Paris to meet M. Raymond Barre, the French Prime Minister, who may be accompanied by M. Daniel Hoeffel, his Fisheries Minister.

The meetings with Lord Carrington and M Barre were fixed but now look likely to be dominated by the fisheries problem.

The Ten have made enormous strides in the last nine months towards agreeing a common fisheries policy but negotiations have recently stumbled on the question of how much access French fishermen should have inside the UK's 12-mile limits.

This exclusive zone is supposed to be abandoned at the end of next year under the terms of the UK's Treaty of Accession to the EEC. Mr. Walker is obviously concerned to retain as much of these fishing grounds as possible for exclusive Britsh use.

As a result, he is opposed to a Commission proposal which may be tabled next Tuesday. The proposal will recognise "historic" French rights enjoyed by French fishermen inside the 12-mile zone before the UK's accession but also seeks to perpetuate access between six and 12 miles available for the past seven years.

Particularly contentious is *the question of fishing in waters* around Orkney and the Shetlands—the *so-called* "Scottish box." The Commission wants to open this up to French vessels whose access would be controlled, possibly by a licensing system.

Spanish steel agreement reached

By Robert Graham in Madrid

SPAIN'S three integrated steel companies, the Government and the unions have reached agreement on a three-year wage and jobs package, after four months of tortuous negotiations.

Their pact is the first step towards completion of a global agreement on restructuring the three companies—Altos Hornos de Vizcaya (AHV), Altos Hornos del Mediterraneo (AHM) and Ensidesa.

It envisages a cut of 5,800 to 38,200 in the workforce of the three companies, mainly through natural wastage and early retirement.

The unions' tough stance has forced up the original wage offer. Last December, they were being offered a 5 per cent rise for 1981, 6 per cent for 1982, and 6 per cent for the following year.

This has now been raised to 9 per cent this year, and a commitment to pay 70 per cent of the consumer *price index* rise in 1980 for the following year.

Next week, the Government is expected to begin meeting the private banks, to iron out the debt restructuring of the three companies.

Singapore faces difficult year, says Minister

BY KATHRYN DAVIES IN SINGAPORE

THIS YEAR will be a difficult one for Singapore, and 1982 will be even more so, Mr. Goh Chok Tong, Trade and Industry Minister, *told* Parliament in his Budget *speech yesterday.* He expected inflation-adjusted growth to be lower than the 10.2 per cent achieved in 1980, he added.

Singaporeans in higher income brackets will be paying substantially less tax in 1982, Mr. Goh went on. The highest *marginal* rate of personal income-tax would be reduced from 55 per cent to 45 per cent on chargeable incomes exceeding S$750,000 (£163,755).

In effect, the proposed changes meant that few individuals would be *paying* tax at more than 40 per cent, an average reduction of 13 per cent on present rates.

It was not practicable to change the rates this year, but all taxpayers resident in Singapore would be given a rebate of 10 per cent on tax paid.

The Minister also announced increases in duties on both premium and regular grades of petrol. Import and excise duties will be replaced by an *ad valorem* tax of 40 per cent on pump prices. The present rates amount to about 34 per cent. The change will result in an estimated increase in revenue of S$10m (£2.1m) in 1982.

In addition to liberalising its *tax policy, Singapore would* revive the role of the State as an entrepreneur to pioneer and stimulate investments in new industries, Mr. Goh said. As part of the republic's 10-year economic plan, tax incentives to encourage automation and research and development would be continued.

Concerning the republic's wages policy, Mr. Goh said that after the three-year programme of corrective wage increases (due to be completed in June this year) wages would be more closely related to market forces.

For the first time, Singapore's development expenditure this year will amount to more than half total spending. Expenditure of S$2bn for industrial and commercial development includes S$1.6bn for *the* Petrochemic Corporation of Singapore, a ship financing scheme, and lines of credit to the *Development Bank of Singapore.* Some S$4.5bn will be needed for recurrent expenditure, and this will be fully met by the expected *revenue of S$6.3bn.*

Reagan review hits Namibia talks

BY PETER BRUCE

THE FIVE-NATION Western "contact group" which has led United Nations negotiations towards a settlement to the independence war in Namibia for the past four years, is putting a brake on its activities while the Reagan Administration reviews U.S. policy on the South African-held territory.

The move, announced at the UN on Thursday night, marks the first time a change of government in one of the member countries—West Germany, France, Britain, the U.S. and Canada—has openly disrupted the contact group's operations.

Speaking for the group, Sir Anthony Parsons, Britain's ambassador to the UN, told the General Assembly that because the U.S. was undertaking an extensive review of its policy "we are not prepared at this time to commit our governments to a specific course of action in the future."

The Western Five have been leading attempts to agree a ceasefire in Namibia between South African troops and guirrillas of the South West African People's Organisation (SWAPO) and to hold elections.

The temporary halt to activities may add weight to fears in African capitals that the Reagon *Administration will* overturn U.S. policy and force the entire Western initiative to change direction.

South African delaying tactics over a settlement under the UN plan, based on fears of a hostile black government coming to power in Namibia, appear to have been strongly underpinned earlier in the week when *President Reagan said* on U.S. television that he would not "abandon" South Africa.

Sir Anthony also said contact group members would not support in the Security Council an expected attempt by the General Assembly to impose economic sanctions against South Africa for failing to reach a settlement in Namibia.

Belgian PM refuses Zaire call for arms

BY LARRY KLINGER IN KINSHASA

SHARP political differences between Belgium and its former African colony, Zaire, have been exposed during an official visit to Kinshasa by Mr. Wilfred Martens, the Belgian Prime Minister.

Mr. Martens refused Zairean requests for increased military aid and resisted pressure to crack down on the activities of Zairean exiles living in Belgium.

However, the two countries signed agreements on a BFr 1bn (£13m) line of credit to Zaire and a BFr 400m Belgian state loan, and sealed a preferential maritime agrrangement.

Mr. Martens also told President Mobutu Sese Seko that Belgium would increase efforts to obtain international assistance for Zaire, whose foreign debt now stands at more than $4bn against foreign currency reserves of around $320m.

Zaire's scheduled repayments this year amount to some $760m, and Mr. Martens said he would support Zaire in rescheduling talks with the *International Monetary* Fund and the Paris Group of 10 Western creditors.

President Mobutu's government has been trying to convince Belgium and the West of the need for increased military aid following the invasion in 1978 of the copper-producing southern Shaba province by Katangese insurgents based in Angola. The rebellion was put down with Belgian, French and U.S. help but Kinshasa has remained deeply concerned *about security*

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BASE LENDING RATES

A.B.N. Bank	14 %	■ Hambros Bank	14 %
Allied Irish Bank	14 %	■ Hill, Samuel	§14 %
American Express Bk.	14 %	C. Hoare & Co.	†14 %
Amro Bank	14 %	Hongkong & Shanghai	14 %
Henry Ansbacher	14 %	Keyser Ullmann	14 %
AP Bank Ltd.	14 %	Knowsley & Co. Ltd.	16 %
■ Arbuthnot Latham	14 %	Langris Trust Ltd.	14 %
Associates Cap. Corp.	14 %	Lloyds Bank	14 %
Banco de Bilbao	14 %	Edward Manson & Co.	15 %
BCCI	14 %	Midland Bank	14 %
Bank of Cyprus	14 %	■ Samuel Montagu	14 %
Bank of N.S.W.	14 %	■ Morgan Grenfell	14 %
Banque Belge Ltd.	14 %	National Westminster	14 %
Banque du Rhone et de la Tamise S.A.	14½%	Norwich General Trust	14 %
Barclays Bank	14 %	P. S. Refson & Co.	14 %
Beneficial Trust Ltd.	15 %	Rossminster	14 %
Bremar Holdings Ltd.	15 %	Ryl. Bk. Canada (Ldn.)	14 %
Brit. Bank of Mid. East	14 %	Slavenburg's Bank	14 %
■ Brown Shipley	14 %	E. S. Schwab	14 %
Canada Perm't Trust	15 %	Standard Chartered	‖14 %
Cayzer Ltd.	14 %	Trade Dev. Bank	14 %
Cedar Holdings	14 %	Trustee Savings Bank	14 %
■ Charterhouse Japhet	14 %	Twentieth Century Bk.	14 %
Choulartons	14 %	United Bank of Kuwait	14 %
C. E. Coates	14 %	Whiteaway Laidlaw	14½%
Consolidated Credits	14 %	Williams & Glyn's	14 %
Co-operative Bank	*14 %	Wintrust Secs. Ltd.	14 %
Corinthian Secs.	14 %	Yorkshire Bank	14 %
The Cyprus Popular Bk.	14 %		
Duncan Lawrie	14 %		
Eagil Trust	14 %		
E. T. Trust Limited	14 %		
First Nat. Fin. Corp.	16½%		
First Nat. Secs. Ltd.	16 %		
Robert Fraser	14 %		
Antony Gibbs	14 %		
Greyhound Guaranty	14 %		
Grindlays Bank	‡14 %		
■ Guinness Mahon	¶14 %		

■ Members of the Accepting Houses Committee.
* 7-day deposits 11½%, 1-month 11¾%. Short term £4,000/12 months 13.35%.
† 7-day deposits on sums of £10,000 and under 11¼%, up to £50,000 12%, and over £50,000 12½%.
‡ Call deposits £1,000 and over 11½%.
¶ 7-day deposits 12%.
§ Demand deposits 12%.
‖ 21-day deposits over £1,000 13%.

UK NEWS

Channel rail tunnel urged by MPs at cost of £1bn

BY LYNTON McLAIN, TRANSPORT CORRESPONDENT

THE GOVERNMENT should approve a £1bn Channel tunnel to link England and France by rail, an all-party select committee of MPs recommended unanimously yesterday.

MPs on the House of Commons transport select committee called on the Government to draw up a White Paper outlining proposals for a link. This would be the first step towards formal negotiations with the French Government. The committee also urges the Government to review its refusal to invest public money in the project.

The Government has already said it is in favour of a fixed link if this could be funded privately. Mr. Norman Fowler, the Transport Minister, told the committee he wants agreement on the financing principles by the end of the year.

Five British merchant banks have just carried out a financial feasibility study for the Government. All schemes so far proposed are viable.

The MPs recommended a scheme similar to British Rail's proposal for a single rail tunnel, but made wide enough for a possible inclusion of road freight traffic later, as well as cars carried on special trains.

Legislation should provide powers initially for the construction of a 6.85 metre bore tunnel and facilities needed only for the rail link.

The MPs suggest the extra cost—estimated at £100m—of the enlarged tunnel should be treated as a public investment "which should not fall on the private developers of the initial rail-only scheme." But the Transport Department last night reacted coolly to the idea and no aid is expected.

The attitude of the French Government to any link is far from clear. Britain pulled out unilaterally from a treaty with France in 1975 after the two countries had agreed to build a twin-bore, 6.85 metre rail and road vehicle tunnel.

Mr. Tom Bradley, Social Democratic MP for Leicester East and chairman of the select committee said yesterday the French was vital. He hoped they would recognise the "widespread enthusiasm for the revival of the Channel tunnel" which had been shown in the evidence given to the committee.

The report said most of the submissions of proposals for bridges, submerged tube tunnels and conventional bored tunnels were "extremely tentative."

● Mr. Ian MacGregor, chairman of the British Steel Corporation which submitted plans to the committee for a combined viaduct and tunnel link costing £4.6bn to £5.9bn, said last night the corporation would shortly announce a "significant reduction in cost and construction time" for the proposed project.

Consortium led by Shell makes North Sea discovery

BY RAY DAFTER, ENERGY EDITOR

AN OFFSHORE oil consortium, led by Shell UK, has made a North Sea discovery 95 miles east of Aberdeen.

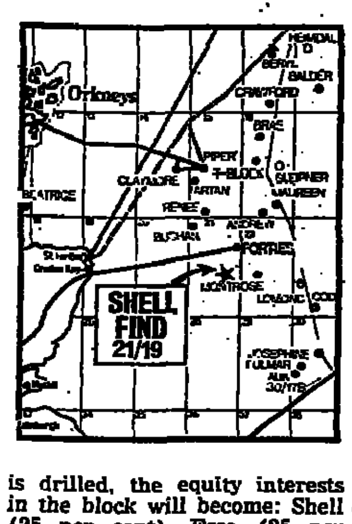
Shell said that the well, drilled on block 21/19, had encountered hydrocarbons at a depth of about 11,000 ft. It is not known whether the well bears oil, natural gas, or a mixture of both.

The company said the reservoir rock was of poor quality sandstone and the significance of the well remained to be assessed. The drilling rig Stadrill is conducting further tests.

The well was drilled to a total depth of 11,500 feet in an area of the North Sea where the water depth is about 280 feet. The operation was conducted about 22 miles south-west of British Petroleum's important Forties Field.

The cost of the well is being borne by Shell and its North Sea partner, Esso, as part of a new licensing deal. Under a farm-in licence arrangement Shell and Esso have agreed to bear the drilling costs of two wells in order to earn a joint 50 per cent stake in the block.

Assuming that a second well is drilled, the equity interests in the block will become: Shell (25 per cent), Esso (25 per cent), Texas Gas Exploration (22.5 per cent), Dolphin Petroleum (10 per cent), Inlet Petroleum UK (10 per cent), and Pict Petroleum (7.5 per cent).



● Mr. Hamish Gray, Minister of State for Energy, said in Aberdeen yesterday that he hoped the Government would be able to announce the next batch of seventh round exploration licences in a few days.

Sales chief appointed by British Shipbuilders

Financial Times Reporter

Mr. Michael C. Robinson, a leading London shipping broker, has been appointed sales director of British Shipbuilders' merchant shipbuilding division. The appointment marks a major strengthening of the corporation's marketing efforts.

Mr. Robinson, aged 53, is one of two managing directors of Eggar Forrester, the London shipping brokers. He has spent all his working life at Eggars and has specialised on the sale and purchase of ships and the placing of building contracts.

Over the past 15 years he has helped to win 53 orders for British shipyards.

Mr. Robinson said yesterday he fervently believed in a British shipbuilding industry and felt the worst of the shipbuilding recession was over. From his base in London he will have world marketing responsibility including the branch offices in Athens and Hong Kong.

British Shipbuilders already has a managing director for merchant ship marketing—Mr. James Gilfilian, the former chief executive of Sunderland Shipbuilders. British Shipbuilders was unable to say yesterday what his role would be in the new marketing organisation.

House starts in January show further big decline

BY MICHAEL CASSELL

HOUSE BUILDING had a disappointing start this year, according to provisional Government figures published yesterday.

The industry, which last year recorded the lowest post-war level of new housing output, managed to start on 9,800 homes in January, compared with 12,700 in the same month of 1980. Completions reached 16,600 compared with 19,000 the previous January.

According to the Department of the Environment, there were only 2,200 starts in the public sector this January while 7,600 homes were started for owner occupiers. There were 6,600 houses completed in the public sector and another 10,000 in the private sector.

In the three months to the end of January housing starts showed a rise of 3 per cent on the previous quarter but were 44 per cent down on the same period a year earlier.

Completions were 3 per cent down on the August-October quarter and 23 per cent lower than during the same period 12 months before.

Although the latest figures provide few grounds for optimism, private housebuilders report a growing volume of inquiries from potential customers and expect output during the year to show a significant increase over last year's level.

Retailers hoping for pre-Budget sales surge

By David Churchill and Gareth Griffiths

MANY RETAILERS are expecting a last-minute pre-Budget sales surge today for drinks, tobacco, and electrical goods.

The pre-Budget buying this year has seemed more muted than usual because of the depressed state of consumer spending. Consumers are also used to leaving it late now, retailers believe, in much the same way that pre-Christmas purchases are now invariably postponed to the last minute.

Most retailers said pre-Budget buying of wines and spirits, as well as cigarettes, got under way this week. Tesco said its wine and spirit sales this week was about double the corresponding week of last year.

Victoria Wine said trade had been buoyant for the past few weeks, with sales a third higher in volume terms this week than at the same time last year.

Peter Dominic reported a similar varied response. Sales were up during the week and wine sales higher in the North-East. The J. Sainsbury supermarket chain said its stores had experienced substantially increased drink and tobacco sales in the past week.

Electrical goods retailers also report that sales have picked up in recent weeks, especially for washing-machines and colour televisions. Mr. David Johnson, chief executive of the Rumbelows chain, said yesterday there had been a noticeable rise in sales because of pre-Budget buying.

Ulster electricity rate cut may cost £60m a year

BY OUR BELFAST CORRESPONDENT

MRS. THATCHER'S promise to bring Northern Ireland electricity tariffs more closely into line with those of England and Wales is expected to cost the Government at least £60m a year at present prices.

The likely cost depends largely on the method of subsidisation, and on the vital decisions soon to be made about the province's long-term energy strategy.

Domestic electricity tariffs in the province are about 22 per cent higher on average than in Great Britain. Industrial tariffs, which are heavily subsidised as part of industrial development policy, are 7 per cent higher.

The Government's subsidy to the Northern Ireland Electricity Service in 1980-81 amounted to £40m. That was used to keep industrial charges down and to prevent the differential on domestic tariffs from widening even further.

The initial effects of what Mrs. Thatcher described in her Stormont speech as "a major decision in principle" should become known before April 1 when an electricity price rise of about 11 per cent is due.

Mrs. Thatcher yesterday visited security forces on the Co. Fermanagh border. Before leaving Ulster she said she had felt it necessary to go there to reassure people that there would be no change in the constitutional position without the will of the majority.

● Four changes in emergency legislation covering Ulster have been called for by the Standing Advisory Commission on Human Rights, set up in 1973 under the Northern Ireland Constitution Act.

In its annual report to Mr. Humphrey Atkins, Northern Ireland Secretary, the commission urges that detention without trial should be ended, the limits of powers to grant bail should be changed, evidence obtained by force should be inadmissible and police and army must have reasonable grounds for arresting suspected terrorists.

DHSS could cut costs by £1.5m

THE ANNUAL cost of statistical work in the Department of Health and Social Security could be cut by £1.5m according to a report published by Sir Derek Rayner's Whitehall efficiency team which makes 99 recommendations for savings.

The main saving would be £470,000 from ending the mental health inquiry and facilities return. A further £250,000 would be saved by either stopping national analyses of individual drug sales or offering the results for sale to cover the Department's costs.

Party leaders urge unity

BY RICHARD EVANS, LOBBY EDITOR

FEARS aroused by the breakaway Social Democrats because of their possible effect on the present political system, intensified yesterday with calls from Conservative and Labour leaders for their supporters to remain loyal and united.

Mr. Merlyn Rees, former Home Secretary, urged the Labour Party to close ranks and fight the Conservative Party. "If we become a party of only one wing or another we will fail over a long period to obtain political power."

In a speech to his Leeds South constituency Mr. Rees said the Social Democrats intended to ally themselves with the Liberals: "We known from practical experience that the Liberal Party is made up of all sorts, is not a group we could work with. In a few years the Social Democrats will be absorbed with the Liberals—a party of all things to all men."

Mr. David Howell, the Energy Secretary, said there was no evidence that the new grouping "in any way stood on or astride the common ground of the nation."

The Labour Solidarity Campaign holds its first major public meeting today in North London. The purpose of the campaign, chaired by Mr. Roy Hattersley, is to regain ground lost to the Left and return the Labour Party to more moderate policies.

● The Social Democratic Alliance is to field candidates against leading Labour Left-wingers in London and throughout Britain in the May local elections.

Sir Keith rejects W. Midlands appeal

SIR KEITH Joseph, the Industry secretary, yesterday turned down an appeal from the West Midlands to be given assisted areas status.

Leaders of the West Midlands County Council and the Birmingham City Council claimed the region was suffering a faster rate of job loss than anywhere in the country.

Sir Keith said the issue of assisted area status was open for review at any time, but the situation in the West Midlands was not yet as bad as in other areas, such as Wales, Scotland and the North-east.

Decline in new car sales continues in February

NEW CAR sales continued to slide last month, reaching the lowest February level for five years, according to the Society of Motor Manufacturers and Traders. The importers' share of the market fell back a little but the Japanese accounted for 10.5 per cent against 8.9 per cent of last year's February market.

UK CAR REGISTRATIONS

	February				Two months ended February			
	1981	%	1980	%	1981	%	1980	%
Total UK produced	56,866	46.33	61,639	42.25	120,890	46.70	126,141	41.36
Total imports†	65,879	53.67	84,250	57.75	137,963	53.30	178,856	58.64
Total market	122,745	100.00	145,889	100.00	258,853	100.00	304,997	100.00
Ford*	37,501	30.55	46,984	32.21	81,493	31.48	106,764	35.00
BL*	25,344	20.65	24,440	16.75	49,599	19.16	48,280	15.83
Peugeot SA—								
Talbot*	6,831	5.56	11,713	8.00	13,796	5.30	21,687	7.10
Peugeot	1,358		2,805		3,288		5,974	
Citroen	2,638		3,075		4,655		6,535	
Total Peugeot SA	10,827	8.82	17,593	12.06	21,739	8.40	34,196	11.21
General Motors—								
Vauxhall*	8,643	7.04	12,376	8.48	16,860	6.51	23,568	7.72
Opel	1,620		2,488		3,693		5,535	
Other GM	56		96		132		182	
Total GM	10,319	8.41	14,960	10.25	20,685	7.99	29,285	9.60
Datsun	8,391	6.84	6,154	4.22	18,986	7.33	11,231	3.68
Renault	6,349	5.17	9,783	6.71	12,921	4.99	19,169	6.28
VW-Audi	5,734	4.67	4,936	3.38	12,473	4.82	12,686	4.16
Fiat Auto—								
Fiat								
Lancia	422		332		828		779	
Total Fiat	4,877	3.97	3,947	2.71	10,369	4.01	8,548	2.80
Volvo	3,343	2.72	3,538	2.43	7,338	2.83	7,832	2.57

* Includes cars from companies' Continental associates which are not included in the total UK figures.
† Includes cars from all sources including those from Continental associates of UK companies.

Source: Society of Motor Manufacturers and Traders

Lonrho oil damages claim rejected by Appeal Court

BY RAYMOND HUGHES, LAW COURTS CORRESPONDENT

Three Appeal Court judges were unanimous yesterday in ruling that there was no legal basis for Lonrho's £116m damages claim against oil companies Shell and BP.

Lord Denning, Lord Justice Eveleigh and Lord Justice Fox rejected Lonrho's argument that it had a right to sue if it could prove that Shell and BP conspired to breach sanctions orders against Rhodesia.

They also held that a 1965 agreement between Lonrho and a number of oil companies, including Shell and BP, did not contain implied terms that the oil companies would put oil into Rhodesia only through a Lonrho pipeline and would do nothing to prevent or impede the use of the pipeline.

Lonrho will challenge yesterday's ruling in the House of Lords on May 5. If it loses there it will be the end of the complex and bitterly fought litigation that has been before the courts about a dozen times since 1976.

Lonrho had appealed against Mr. Justice Parker's ruling in the High Court earlier this year on a series of preliminary legal questions that had initially been argued at the private arbitration of the dispute. Mr. Justice Parker found for Shell and BP on all points.

Holding that Lonrho could not sue for damages resulting from the alleged conspiracy, Lord Denning said that the lack of any interest on the part of Shell and BP to injure Lonrho was fatal to the latter's claim.

Any conspiracy had been solely to the benefit of Shell and BP's commercial interests, and the Rhodesian people. The fact that Lonrho might have been damaged as a result did not give it a right to sue the oil companies.

Life offices in PR

THE LIFE Offices Association and the Scottish Life Offices are planning a public relations programme designed to preach the virtues of taking out a life policy with one of their members.

The LOA has received considerable adverse publicity in the past 12 months. It has consistently refused to make more than minor alterations to the commissions scale despite pressure from insurance brokers. As a result five life companies have recently quit the Association.

Barrel makers axed

ALUMASC, of Burton Latimer, Northants, which makes aluminium beer barrels, will make 71 nightshift workers redundant next month. Falling sales have already caused it to cut 300 jobs in the past year.

Arts grant raised

THE GLC has increased its support for the arts in 1981-82 by 13½ per cent, slightly above the increase in aid the Arts Council received from the Government. The budget will be £4.2m.

Rates hit jobs

LARGE rate increases could be responsible for the loss of at least 25,000 jobs in London and the South East, according to a survey by the London Chamber of Commerce and Industry published yesterday.

House Speaker to retire

BY RICHARD EVANS, LOBBY EDITOR

MR. GEORGE THOMAS, Speaker of the Commons since February, 1976, announced yesterday he will retire at the end of the present Parliament. He is 72 and has been an MP for Cardiff constituencies for 39 years.

There will be no active soundings yet about a successor—on the assumption that a General Election will not take place until late 1983 or 1984—but one likely candidate is Mr. Bernard Weatherill, Conservative MP for Croydon North East and the present Deputy Speaker.

The choice depends on agreement between the major parties.

Mr. Thomas, a particularly popular Speaker because of his firm control exercised with discretion and humour, was previously Secretary for Wales from 1968 to 1970, Minister of State at the Commonwealth and Welsh Offices and a junior Minister in the Home Office.

His Cardiff West seat is regarded as safe Labour territory.

● Mr. Leslie Spriggs, veteran Labour MP for St. Helens, also announced yesterday he will not stand at the next General Election.

Ministry of Defence may reduce range of military equipment

BY MICHAEL DONNE, AEROSPACE CORRESPONDENT

THE Ministry of Defence is studying the possibility of concentrating its spending on military equipment on fewer items.

Mr. John Nott, Secretary for Defence, revealed yesterday that this review of the Ministry's long-term plans might result in a "shift of emphasis" in the development of new weapons and other military harware, cutting back on some projects and spending more on others.

"On the equipment side, I believe we are trying to do too much with too few resources," he said. "We should concentrate our efforts a little more successfully in producing more equipment in certain areas for our forces, rather than on such a wide range of equipment in low volume."

But he stressed that this was not a result of the much-criticised plan to develop the Trident submarine missile system as a replacement for the Polaris nuclear deterrent.

This project, expected to cost at least £5bn over the next 15 years, and perhaps as much as £6-£7bn, has been attacked as being likely to result in less spending on conventional armaments of all kinds.

Mr. Nott said that over the 15 years of Trident development, the overall defence equipment bill would be £80-£90bn, and "to say that the Trident expenditure is too big a chunk of the equipment budget is odd."

He said that in the current financial year, the Ministry was spending £4.1bn on defence equipment of all kinds, and would spend about the same in the coming financial year.

Mr. Nott said he would try to negotiate with the Treasury to write-off the overspend of about £260m in the current financial year, which would otherwise have to come out of the budget for 1981-82, in addition to the cuts of £200m in spending already requested by the Government. "I shall be pleading a special case," he said.

The Ministry's review of long-term plans is one of a series of reviews made frequently to update those plans in the light of changes in the overall threat, the operational capabilities of the armed forces and other factors.

The pressures on the defence budget as a result of inflation, overspending in the past year, and the increasing complexity of much military equipment, is forcing a reappraisal of the scope of UK weapons development, which hitherto has been very wide.

The possibilities of increased international collaboration on major new weapons programmes, such as buying the U.S.-developed AV-8B Harrier jump-jet fighter from the U.S., is already under close study, and a decision on the Harrier in particular is expected some time this summer.

The U.S. Marine Corps is planing to buy up to 336 Harrier AV-8Bs of which British Aerospace will get a substantial share, along with Rolls-Royce. This decision to buy the AV-8B will be taken in place of an earlier plan to develop a UK-developed derivative, the Mark 5.

● Rolls-Royce said yesterday it had given pledges to the U.S. Government on the cost of the Pegasus engine, which will be used in the U.S. AV-8B version of the Harrier.

Mr. John Wragg, director of Rolls-Royce Bristol, where the Pegasus is built, said: "The Marines want the AV-8B, of that there is absolutely no doubt. But they were anxious to hear that the cost predictions we were making were founded on fact."

Mr. Wragg and a Rolls-Royce team were in Washington recently for briefings with the U.S. Defence Department on the AV-8B and Pegasus. "They (the U.S.) want to be absolutely sure they will be able to afford a viable fleet of AV-8Bs," said Mr. Wragg. "Otherwise, they will seek an alternative—the U.S. F-18."

Under an agreement signed some time ago, Rolls-Royce will build 75 per cent of the value of all Pegasus engines used for U.S. AV-8Bs, while Pratt and Whitney of the U.S. will build 25 per cent.

Collaborative agreements on airframes also exist between the Aircraft Group of British Aerospace and McDonnell Douglas of the U.S.

LABOUR

Strike to ground all flights

BY JOHN LLOYD, LABOUR CORRESPONDENT

THE CIVIL servants' one-day strike on Monday is expected to ground all scheduled flights, shut down the major Government computer centres, close courts, tax and social security offices, job centres and Companies House and disrupt the Stock Exchange.

Pickets are expected to be mounted on Downing Street, all Government Offices, Scotland Yard and possibly Buckingham Palace. Ordnance factories, naval dockyards and other defence locations will be closed, as will museums and art galleries. No driving tests will be held.

Leaders of the nine civil service unions said they expected at least 90 per cent support for the action. Announcing the planned effects of the strike yesterday, Mr. Bill Kendall, secretary general of the Council of Civil Service Unions, said that Government statements over the past few days had added "nothing new" to the situation.

He said, "We will carry on with disruption until we get a settlement or until we run out of money." The unions have already raised some £500,000 from special levies.

Mr. Kendall said that the assurances given by Lord Soames, Lord President of the Council, and Mr. Barney Hayhoe, the Civil Service Minister, that the Government was planning a new arrangement for settling civil servants pay "gave us no guarantees."

He also criticised as "unwholesome" remarks made by Mr. Heyhoe on the Left-wing leanings of the union leaders. "It is an old employers' tactic—the strike goes on."

Mr. Alastair Graham, the deputy general secretary of the largest union, the Civil and Public Servants Association, said that "members see it as vandalism by the Government to break an agreement on pay."

Last October, the Government ended the system by which civil servants were awarded rises based on comparisons with other similar workers in the private sector, and said that cash limits would be the major pay determinant.

Mr. Campbell Christie, deputy general secretary of the Society of Civil and Public Servants, said "there is a deep and bitter resentment about this among civil servants of all grades."

The unions have claimed rises of 15 per cent, while the Government has raised an initial offer of 6 per cent to 7 per cent, which it says is the final offer.

Further selective action, to take place following Monday's stoppage, will be announced tomorrow. Mr. Graham said, "Until you get a sensible arrangement for fixing pay in the Civil Service you will get constant disruption."

● Michael Donne, Aerospace Correspondent, writes: The 24-hour cessation of UK scheduled air services from midnight on Sunday, as a result of the civil servants strike which will hit air traffic control services, is likely to be total.

Many more UK and foreign airlines yesterday said that they would cancel all flights rather than risk flying without air traffic control assistance.

The British Airports Authority said that "all current indications are that there will be no flights whatsoever" into or out of Heathrow or Gatwick, or other airports owned by the Authority, including Glasgow, Prestwick, Aberdeen, and Edinburgh.

The air traffic controllers are members of the Civil Aviation Authority, which is not itself involved in the dispute, but the controllers are striking in sympathy with their civil service colleagues.

More water workers reject offer

By John Lloyd, Labour Correspondent

THE RESULTS in the voting on the water workers 12.3 per cent wage offer swung back towards rejection yesterday, as delegates of the General and Municipal Workers Union in the East Midlands narrowly rejected the offer, and about 500 workers in the Thames Water Authority began an all-out stoppage.

The authority said that the workers, a fifth of its manual staff concentrated in north-east London, had not disrupted supplies by their action as yet.

By contrast, 150 workers in Oldham and 30 workers in Lincoln who had taken unofficial action voted to return to work.

The East Midlands result, which showed 11 of the area's 20 branches voting against the offer to 9 voting for it, means that the four areas so far declared are evenly divided for and against. Northern Ireland and Yorkshire have voted to accept. The North-East voted to reject.

Mr. Don Newton, the GMWU regional officer for the East Midlands, said last night that if the branches had not been mandated before the meeting, some would have voted to accept based on information received at the meeting.

But, he said feelings had run strongly against the National Water Council's tactics, and many delegates believed that, because of cuts in overtime, the offer would leave them little better off.

Mr. Ron Keating, assistant secretary of the National Union of Public Employees, the industry's second largest union, said the outcome was "delicately balanced."

The NUPE votes should be known in the middle of next week, when the two big GMWU regions — London and West Midlands — will also vote.

Unions' area ban on Tate and Lyle

UNIONS fighting the closure of Tate and Lyle's sugar refinery at Liverpool voted yesterday to stop all the company's sugar entering the North West. That could cause a severe sugar shortage and chaos in the food industry.

More than 5,000 tonnes of sugar are being held by the 1,500 workers at the refinery, which is due to close on April 3.

Warehousemen and food industry workers have also been called to "black" Tate and Lyle sugar in an attempt to force the company to extend the date of the closure.

200 foremen in Ford walkout

The £125m Ford car plant at Halewood, north Merseyside, was hit by its fourth walk-out in just over a week yesterday when the 200 foremen on the day shift in the body and assembly plants stopped work at lunchtime.

The men, members of the white-collar union ASTMS, had been told that the management planned to abolish the grade of general foreman.

Prior pleads for co-operation

Mr. PRIOR, Secretary of State for Employment, reminded managers yesterday that Britain's future prosperity depended on a lasting change in attitudes by management and unions.

He told East Midlands industrialists at Derby: "Most people are only too well aware of our poor performance over the years and are seeking a change for the better. From management's point of view this first of all means winning the trust and confidence of all employees by involving them fully in matters which will affect their futures."

Dockers' leaders criticise severance pay top-up

BY PAULINE CLARK, LABOUR STAFF

THE GOVERNMENT'S move to supplement severance payments for dockers in London and Liverpool came under further attack yesterday when union leaders recommended dockers in the two ports not to take up the offer.

The decision by a meeting of the national docks and waterways committee of the Transport and General Workers Union followed the refusal by Mr. Norman Fowler, Secretary for Transport, last Wednesday to extend the supplementary payments to all British ports needing to shed surplus labour because of financial problems.

Port employers not benefiting from the Government aid had earlier in the week appealed to Mr. Fowler to recognise that a number of other ports faced serious financial difficulties.

However, they were told that Liverpool and London were being seen as special cases because of the urgency of their problems.

Although the TGWU has attached no penalties to dockers who decided to take up the offer, its recommendation will add to the uncertainty whether the scheme will succeed in rescuing the two ports from financial crises if their targets of shedding a total of some 2,000 dockers through voluntary redundancy are not achieved.

Against the background of growing unemployment there are already fears that not enough dockers will take advantage of the severance pay top-up scheme. The Government announced last month it would provide extra finance to raise maximum severance pay for dockers in the two ports from £10,500 to £16,000 for a two-month period.

Dockers' leaders in the TGWU made clear yesterday they had not changed their stance of opposing severance pay schemes. They believe money to help the ports should be channelled into investment.

But they said there was widespread discontent over any move which meant that dockers, in some ports were offered less money than others if they volunteered for redundancy.

THE WEEK IN THE MARKETS

Shrinking in the Budget's shadow

LONDON

ONLOOKER

A CENTRAL theme of stock market behaviour over the past few weeks has been its determination to maintain a bullish stance whatever the reality of poor profits, shrinking dividends and mounting redundancies.

There is always the tendency of a determined bull to adapt *any fact to suit his book and* even the earlier ICI dividend cut and its second-half losses could be shrugged aside without undue difficulty. Surely ICI was making a none-too-sophisticated cry for help to Government? As Britain's largest *industrial company, surely* the authorities would take heed?

With the bone of interest rate hopes to chew on and the additional spice of a big public offer for sale at British Aerospace (stand by for Cable and Wireless), dealers approached Budget day with something akin to equanimity.

But now that the market is actually in the Budget account, nerves have been coming steadily to the fore. Hopes that the Chancellor would obey the law of diminishing returns — or the manner in which the market interprets these laws as they apply to excise revenue — receded during the week and the tobacco and drinks pitches have seen cautious marking down.

In the background, earlier thoughts that the method of *changing the method of* calculating Treasury Bill rate seem to have faded and two leading ingredients of the financial sector have been quietly carrying on with their reporting seasons.

Three of the larger composite insurers have now reported and their success seems to have been tied strongly to their domestic exposure relative to the volume of North American business. And the clearing banks are now waiting only for Midland to conclude the results in this sphere but sentiment has *been affected by the possibility* of a tax on windfall profits.

Unilever goes Dutch

The decision by Unilever, the Anglo-Dutch multinational, to cut its UK dividend this week surprised the market. The share price remained relatively unmoved by the cut which for a saving of around £6m has forfeited Unilever its 40-year record of maintained dividend payments.

While it is easy to understand the thinking behind Unilever's parsimony—it was unwilling to risk displeasing the Dutch Government by paying a maintained sterling dividend which under its current dividend equalisation agreement would have meant paying its Dutch shareholders a 20 per cent dividend hike—the manner in which it was done aggrieved many British shareholders.

Worse still, Unilever gave no hint of the dividend cut to come. *In addition, it* indicated this week that the very agreement which had necessitated the step was currently under "advance" scrutiny and therefore presumably open to change. As Unilever was aware of the undesirable effects on shareholders' payouts of currency fluctuations and does not appear to think the dividend equalisation agreement in its present form is sacrosanct, the UK dividend cut was taken by some as a harsh decision. Would it have been preferable to change the formula ahead of the preliminary results thus avoiding the backlash from dividend hungry British shareholders as well as any displeasure to officials at The Hague?

In the event, the long term impact on Unilever's British share price will probably be minimal with the current price about 20 per cent above its low point over the past 12 months. The resilience of Unilever's earnings in the recession as indicated by the 6 per cent drop in pre-tax profits to £567.7m against last year's £605.6m is probably sufficient to ensure the multinational a warm spot in the hearts of most British shareholders shell-shocked by a stream of poor results.

Bank largesse

German shareholders must be looking with envy at the largesse of the British banks. Despite their hidden reserves, several German banks have been cutting or omitting dividends recently while the UK clearers have been offering a uniform 20 per cent increase on historic profits which are a little worse, in the case of National Westminster and Barclays, or a little better, in the case of Lloyds.

The truth is that British banks can afford it. Barclays this week reported a decline of 15.6 per cent to £147.7m in current cost attributable earnings but this figure still covered dividend payments almost three times. The banks have been hit hard, in roughly equal measure, by the need to insure against the recession through specific provisions, but high interest rates have helped their margins and mainstream corporation tax has more or less been eliminated by the explosive growth in leasing.

So their profits have been roughly maintained, at least in historic terms, and the period of dividend control has left them with plenty of room for maneouvre.

The generosity has not been confined to shareholders. Staff costs have risen at a rate which would threaten some major *manufacturing* companies with insolvency. Barclays reported that its staff costs had risen by 31 per cent on a 7 per cent rise in staff numbers while NatWest, which increased its staff by only around 2 per cent, saw an even more dramatic 33 per cent growth in staff costs.

With Lloyds proving the most parsimonious payer (staff costs up 24 per cent) the performance of the banks seems roughly to reflect their cost position. This may have been an affordable luxury in 1980 but, with interest margins falling this year, cost pressures will have an uncomfortable impact on 1981 results.

Composite insurers

The success of insurance composites under current conditions is related directly to their involvement in the UK and inversely to their exposure in the rest of the world, particularly the U.S., Canada and Australia. This is the pattern that has emerged from the 1980 results of the three major composites Commercial Union, Royal Insurance and General Accident.

Trading conditions continued to deteriorate in the U.S. with the CU losing £32m, Royal £16m and GA a modest £4½m, with worse to come this year. The position is even worse in Canada and Australia, where investment income has barely covered soaring underwriting losses.

There are, however, signs of realism returning to the Canadian market which has accepted substantial motor premium rate increases this year from CU and Royal.

There was a completely different picture in the UK last year, especially from the personal insurance lines. The insurance companies are now getting the full benefit of index-linking of personal contracts, which with the premium rate increases and the absence of any really bad weather last year resulted in these accounts either making profits or having losses substantially reduced. Commercial fire is still very competitive, but conditions eased as claims fell over the second half of the year. Liability business had a poor year.

Royal earned £10m profit in the UK, but the other two groups had to be content with small losses. Given the continued high rates of interest, the return on capital employed in the UK should be healthy.

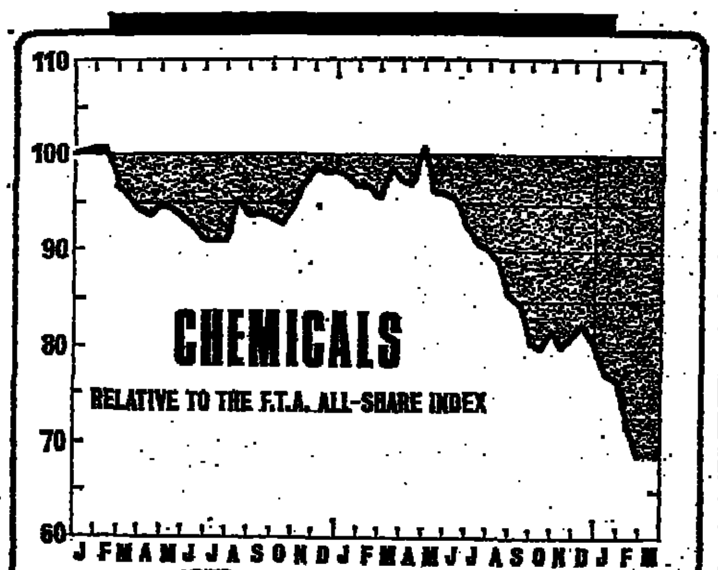
With the continued recession, the scope for improvement in the UK is limited and the outlook for composites with high overseas portfolio content in 1981 is one of still rising underwriting losses offset by increased investment income, leading to static pre-tax profits.

CU and Royal have ignored this year's lower pre-tax profits and earnings and based their dividend rises of 10.2 per cent and 11.6 per cent on the underlying strength of the balance sheets. GA's increase of 12½ per cent in dividends can be justified by a corresponding rise in earnings.

Davy's relief

Everything happened last week for Davy Corporation. First, the Trade Secretary, Mr. John Biffen, announced that the contested £140m bid from Enserch would be referred to the Monopolies Commission and then, a couple of days later, the UK engineering contractor unveiled its results for half year to September 1980.

The reference automatically means that the bid from Enserch lapses but the question now is whether the U.S. company will see out the six months of the Monopolies probe and come back if it receives clearance or whether it has already had enough.



The profits Davy disclosed during the week gave the market a chance to see how resilient, or vulnerable, the group would have been to the approach.

At the pre-tax level, Davy pushed profits ahead from £4.6m to £6.1m at the interim stage and it seems possible that it will reach about £18m in the full year against £15.9m. But the scale of the halftime advance has been swollen by the £3m exceptional provision made at the pre-tax level in 1979-80 and the decision this time to charge £2.1m of closure costs after taxation. Davy says *that it is not withdrawing from* these manufacturing units and the choice of the treatment of these costs as an exceptional or an extraordinary item could *have gone either way.*

The terms that Enserch was putting forward valued Davy at about 200p per share which contrasts with Davy's price of about £150p at the end of the week. Yet at that level, the prospective p/e is still about 13 on fully taxed earnings which suggests that however profitably Davy can compete in an increasingly fierce international market, bid hopes have not been entirely pushed aside.

Yet, while the market is turning its thoughts to the possibility that a UK group will *now* be tempted, the Government has done little or nothing recently to clarify its merger *policies.*

MARKET HIGHLIGHTS OF THE WEEK

	Price Y'day	Change on Week	1980-81 High	1980-81 Low	
F.T. Ind. Ord. Index	489.1	−17.5	515.9	406.9	Unsettled awaiting Budget
F.T. Gold Mines Index	309.6	−27.9	558.9	265.5	Weak bullion price
Bakers Household Stores	140	+20	140	61½	Chairman's confident statement
Berisford (S. & W.)	162	−12	200	125	Broker downgrades profit forecast
Blue Circle	364	−26	390	229	Profit-taking
Brown (J.)	73	− 7½	80½	46	Clydesbank workers' strike threat
Cons. Gold Fields	425	−29	678	373	Adverse Press comment on results
Currys	337	+11	343	153	Broker's circular
Fisons	133	+ 8	304	112	Bid hopes revive after prelims.
Flight Refuelling	313	+27	313	120	Renewed speculative support
Grindlays Bank	160	−16	180	116	Fading bid hopes
Hunting Association	338	+63	377	230	*Confirmation of bomb contract*
M.D.W.	89	+24	90	40	Bid approach
Marievale	155	−39	384	132	Possible shut-down of mine
Meyer (Mont. L.)	86	+12	120	63½	Revived speculative interest
NatWest Bank	350xd	−18	428	305	Fears of windfall profits tax
Ransomes Sims	164	+24	170	108	Better-than-expected results
Sangers	62	+10	75	40	Speculative demand
Sharpe (W. N.)	278	+48	278	205	Pleasing annual results
Tomatin Distillers	101	+12	210	82	Results due March 24

Hibernation

NEW YORK

PAUL BETTS

LIKE the blizzard which dropped several inches of snow on *Wall Street this week,* prolonging New York's freakish winter, the stock market continues to be in a state of hibernation.

After a brief seven-day rally led by some institutional buying in the blue chip sector, stocks started drifting down again by the middle of the week as more uncertainty over the country's general economic outlook continued to dominate the market. Even a drop in the Prime Rate on Tuesday did little to boost morale. Indeed, it had quite the opposite effect, sending the Dow Jones Industrial Average down by as much as 12 points.

After Mr. Ronald Reagan's unveiling of his tax and spending cuts package on February 18, the market is now sitting on the sidelines awaiting to see the sort of reception Congress will give to the Reagan economic programme. At the same time, the market remains doubtful over any effective decline in the inflation rate this year and in a climate of highly volatile interest rates is still concerned *that rates will shortly move up* again despite the underlying trend suggesting a decline.

The other factor bothering the market is the high money market rates which are proving a formidable obstacle for any possible sustained rally. In particular, individual investors are turning to shorter term high yielding instruments, like, for example, money market mutual funds. These increased sharply again this week by as much as $2.3bn to $98bn. These assets, which totalled $74.6bn at the end of last year, are now expected to top the $100bn mark shortly.

In such a climate, investors have mainly concentrated their attention on certain specific issues. For example, there was some strong activity in the retail sector following the encouraging reports of improved retail sales in February. Sears Roebuck, the largest retailer, reported a big jump of nearly 7 per cent in February sales—the biggest monthly gain in more than two and a half years. This boosted the company's stock. J. C. Penney, which had *also suffered declining sales in* past months, reported a 7.6 per cent gain in February. Other major retailers also reported strong gains.

Brokers were rushing home early on Thursday because of the snow to catch their trains before New York's mass transit system seized up completely. Some excitement was caused by the disclosure that Amax, the large minerals and mining concern, had received a very generous offer of nearly $4bn from the Standard Oil Company of California (Socal). But Socal's takeover bid did not produce the sort of euphoria in the market which one would expect from what would turn out to be the largest corporate merger in U.S. history.

The proposed deal is pretty crude. Basically Socal is offering a pile of money—$78.50 a share for Amax stock at a time when the Amax shares are trading at around $38.5. Moreover, Amax directors have already expressed their opposition to the deal, stating they would not support it. They would perhaps have phrased their opposition more strongly if it were not for Socal's extremely high offer which is bound to cause considerable excitement among Amax shareholders.

A further reason why Wall Street is somewhat dubious about the historic bid is that the market generally feels that Socal let it down two years ago when it made a $1.9bn bid for the mining group. At that time, Amax also turned down the offer on *anti-trust grounds* and Socal made little effort to step up its takeover fight.

Although Socal's offer this time round is extremely generous, the market is concerned that the mere hint to opposition on the part of Amax directors might induce Socal, the country's fourth largest oil company, to back out of the deal again. Socal already owns about 20 per cent of Amax and in the past has fought shy of tough takeover battles.

The oil companies in general also coninued to disappoint the market. For a short time, it looked as if the oil sector would help the market rally. Although the oils started losing ground in the early part of the year, recent developments appeared to have made them attractive again. These include President Reagan's decontrol of domestic oil prices, the possibility of OPEC production cut-backs and stronger demand for oil products in the domestic market.

MONDAY	977.99	+ 3.41
TUESDAY	966.02	−11.97
WEDNESDAY	971.44	+ 5.42
THURSDAY	964.62	−6.82

Fison's bitter harvest

BY RAY MAUGHAN

Of all the dividend cuts in the past couple of weeks, the decision by Fisons to slash its total distribution from 16.45p *to 10p per share was perhaps* the least surprising.

The group itself described the results as "appalling" and, with a pre-tax slump from £16.83m to £3.83m, it really could not be accused of hyperbole. Worse was to come; its moves to correct deep-seated weakness in some of its core activities resulted in extraordinary costs of £11.87m which meant that Fisons had lost £16.83m at the *attributable* level.

But, in many respects, Fisons had taken one of its heaviest blows two months ago when it revealed that the new anti-allergy drug, Proxicromil, had proved unsafe at the final stages of testing and the launch planned for this year was to be abandoned.

It now appears that the rats used in final trials were found to have developed ulcers leading *in some cases to cancer of the* kidney and therefore an eight year development project had been brought sharply to a halt. That in itself need not have mattered terribly but Fisons does not have a new generation of drugs to bring to market alongside its succesful anti-asthma inhalant, Intal, on which the patents start to run out next year.

The market took the failure of Proxicromil badly, Hoare Govett for example said that with the cancellation, "Fisons loses nearly all credibility as a *long term research-based* pharmaceuticals company."

The reaction of other brokers to the results last week was not much happier. De Zoete and Bevan advised that "there are still too many uncertainties and the shares on fundamental grounds already discount a substantial measure of recovery... we would continue to avoid the shares."

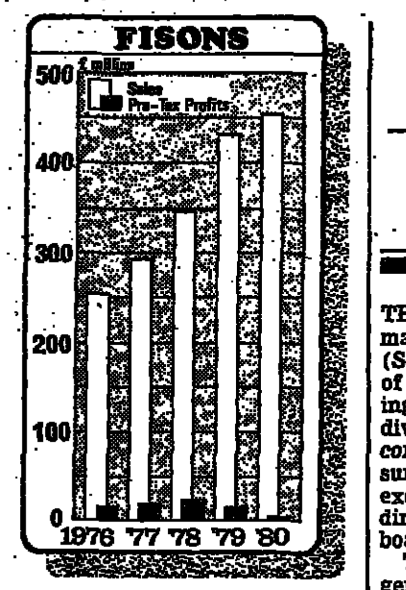
Sheppards and Chase was a little more sanguine and suggested Fisons for long term recovery possibilities. The firm did say, however, that the "shares seem unlikely to perform strongly until some of the uncertainties are resolved."

What are the uncertainties and why has the market's stance changed so radically from the period in the mid-seventies when the shares traded at a lofty premium to the market as a whole.

It is fairly clear that the group's problems have arrived suddenly. After all, it is only just over a year since a detailed analysis by Grenfell and Colegrave was projecting profits for 1980 of £24.4m. That was by *no means outlandish.* Fisons could get back the £5m or so of profits lost through strikes in 1979 and it seemed reasonable to look for around 10 per cent annual growth on top of that. It would compare with profits of £22.9m in 1978.

Yet conditions in both sides of the group have changed materially for the worse over the past year. Fisons has been deliberately put together so that its traditional business in fertilisers — a low margin, cash-generating commodity business high value-added, research related activities in agrochemicals and pharmaceuticals which generally absorb liquid funds. Their cash demands on group resources have theoretically been brought back to balance by increased emphasis in scientific instruments, another cash-positive activity.

The central theme of this strategy has been to secure a dominant position in each market. Even where it cannot be number one, Fisons has tried to run the market leader a close second.



Pharmaceuticals is still regarded as a potentially strong source of profits. The market for di-sodium chromo glycate based products such as Intal is *still growing satisfactorily* worldwide and with its licensing problems in the U.S. now well out of the way, Fisons stands to make further progress should the recent sterling decline prove more than transitory. But prices have been sticking and margins are under pressure. Fisons' pharmaceutical profits were broadly unchanged last year at £12.2m despite a £10m sales rise.

The merger of its agrochemicals business with those of Boots last December probably creates the world's 15th largest group in this sphere, with sales of £125m. Boots great balance sheet strength will help materially and the merger agreement provides for a useful cash payment to Fisons.

But the agrochemicals market now seems prone to heavy competition, particularly in *herbicides, for which patents* have expired, and the application and consequent opportunity to maximise economies of scale in new patented products appears to be concentrating on a narrower base

More immediately, the farmer *has let Fisons down. Instead of* buying fertilisers and herbicides in the autumn and winter for the following spring, the high cost of borrowing and reduced agricultural incomes have deferred purchases. Whereas Fisons's own working capital requirement usually dips sharply during the late spring and summer, borrowings remained high throughout 1980.

Fisons is now being forced to slim, to leave its Mayfair offices and go back to its traditional Ipswich base. It has lost its independence in agrochemicals and has nothing new to put onto pharmacists' shelves immediately after Intal.

هكذا من الأصل

Why Socal still wants Amax

MINING

GEORGE MILLING-STANLEY

THE DECISION by the U.S. oil major **Standard Oil of California** (Socal) to propose a takeover of Amax at Thursday's morning's board meeting of the diversified natural resources *company must have come as a* surprise to almost everybody, except for the three Socal directors who sit on the Amax board.

The presence of these three gentlemen is a legacy of Socal's last attempt, in the autumn of 1978, to add the remaining 80 per cent of Amax to the 20 per cent stake it had held since 1975.

Socal's offer is a mixture of cash and its own stock, in proportions as yet unknown, and is worth about $78.50 per Amax share. This values the whole company at around $4.9bn (£2.2bn), compared with Amax's stated asset value of some $5.2bn.

Obviously, fluctuations in the price of the oil company's shares could make the bid package worth more, and Socal has put a maximum value of *$86.75 per Amax share on the* bid. This would value Amax at $5.4bn, making the proposal look quite fairly priced.

The market does not value Amax so highly, however—a source of disappointment to the company's management for some time. The shares were suspended in New York at $38½, well below the 1980 peak of $58½, and this makes the proposal look quite generous.

Amax rejected the bid after a few hours' discussion, and the board then remained in session until late afternoon. With the *rejection of 1978 still fresh in* Socal's memory, and its representatives on the Amax board no doubt fully aware of the company's determination to remain independent, the oil company must be prepared either for a stiff fight, or *perhaps to dig a little deeper* into its pocket.

What is it that makes Amax so attractive to Socal? The case for involvement by the cash-rich oil majors in mining companies has been made several times in recent years, notably by **Atlantic Richfield** in connection with Anaconda and by **British Petroleum** over **Selection Trust**.

When Socal last tried to acquire Amax, analysts suggested that the company was an ideal target for a big oil company seeking diversification away from its traditional business because it had a signficant stake in the major alternative to oil as an energy source through its big coal ventures in the U.S.

Amax at that time derived the bulk of its income from molybdenum, being by far the world's largest producer. In addition, it had substantial interests in natural gas, nickel, lead, zinc, iron ore and potash.

Beyond that, the company was in a sound financial position, with a high concentration of its mineral reserves in the U.S.

Amax's position today still has all of these good points, and several major acquisitions have been made over the last two and a half years.

The chemicals business has been strengthened by the $200m purchase from **Borden** of that company's phosphate interests in Florida, and £60m was spent on the acquisition from **NL Industries** of a magnesium production facility on the Great Salt Lake in Utah.

Perhaps most important in the context of the bid approach, Amax has greatly increased its interests in oil and gas with the purchase for $450m of **Rosario Resources** and of a significant stake in **Adobe Oil**.

All of these acquisitions broadened Amax's interests, and some analysts have suggested that there was a defensive element in the deals, *especially where the oil and gas* interests are concerned.

The group made record net profits of $470.4m or $7.48 a share in 1980, a rise of 29 per cent over 1979, on sales 3 per cent higher at $2.9bn.

The contribution from the molybdenum, nickel and specialty metals division was even higher than in 1979, when it represented 60 per cent of net profit, and the group's share of world moly production is steadily increasing despite the efforts of a number of competitors to cut Amax's lead.

The energy division's share of net profit leapt from 11 per cent in 1979 to around a quarter, largely as a result of the acquisitions, the chemicals sector increased its share following the purchase of the phosphate interests, and Rosario Resources' precious metals operations made a useful first-time contribution.

Mr. Pierre Gousseland, Amax's chairman, is not so optimistic about prospects for the current year. He has already warned that first-half earnings "won't be anything to write home about," and he said in February that while the group expects a "highly successful" year, it does not anticipate another record.

This comparative lack of optimism from Mr. Gousseland may well provide a clue to the timing of this week's proposal from Socal. One of the pillars *of Amax's defence in the* autumn of 1978 was the fact that it was just beginning to reap the benefits from a major capital spending programme, and near-term prospects were excellent.

Amax's opportunities in this direction are much more limited now, and the group could well encounter problems if it attempts to use the other main plank of its 1978 defence by asking the authorities to bar the deal on anti-trust grounds.

In 1978 Socal countered charges that the take-over would reduce competition with the blunt assertion that there were no anti-trust restraints, any more than there had been three years earlier when the oil company bought its 20 per cent stake.

At the time a reference to the anti-trust authorities was often enough *to deter a would-be predator*, but things could be a little different this time around.

Amax is aware of suggestions by some commentators that the Republican Administration of Mr. Ronald Reagan might be much less sympathetic to cries of "foul" on anti-trust grounds from companies attempting to deter unwelcome bid approaches.

Mr. William Baxter, the new *head of the U.S. Justice Department's* anti-trust division, is widely expected to curb the use of anti-trust legislation to interfere with mergers, and to concentrate his attentions on price-fixing cartels and the like.

In the event of an appeal to the *anti-trust authorities, Amax* can be expected to direct attention towards its energy interests, where it is the third biggest coal producer in the U.S. and is building up a useful presence in oil and gas.

If the oil and gas operations look like posing problems for the takeover, Socal could undertake to divest itself of them after the successful completion of the deal.

For example, **Hudson Bay Mining and Smelting**, the Canadian arm of **Anglo American Corporation of South Africa**, was also a contender for Rosario Resources before Amax secured control, and might be coaxed into renewing its interest.

The eventual outcome of Socal's approach is impossible to predict, and much will depend on the attitudes of the U.S. institutions, which hold around 27 per cent of the Amax equity. Some of them are said to be unhappy with the prices Amax has paid for recent acquisitions, notably Rosario, and they may find Socal's combination of generosity and tenacity hard to resist.

FINANCE AND THE FAMILY

Remedy against a vendor

BY OUR LEGAL STAFF

Three years ago my wife purchased a flat in a block then in the course of construction. Noticing the flat was going to be adjacent to the lift machinery room (not then installed) an assurance in writing was sought and obtained that no noise from it would be heard in the flat. Without this assurance which was confirmed by the solicitors acting for her as being enforceable she would not have proceeded with the purchase.

However, there is considerable noise in the flat and despite the efforts of her solicitors there now appears grave doubts as to whether the vendors can be compelled to honour the guarantee given. Such being the case has my wife any claim at all against her solicitors?

Your wife may well have a claim against the vendor or his solicitors, or both, for misrepresentation. We doubt if a claim would lie against your wife's solicitors, and certainly there would be none if there is a remedy against the vendor. However, the quantum of damage may be hard to assess.

No liability for CTT

My father, who lived in New Zealand, died in 1927. In his will he left a life interest in his estate to my mother and on her death on other trusts to his children. The estate was administered by a New Zealand Trust Company until 1975 when it was transferred to the UK. In order to avoid possible aggregation on her estate on my mother's death, would it be best to leave things alone or to terminate these various trusts now and divide the assets?

If your father was domiciled in New Zealand (or elsewhere out of the jurisdiction of the UK at the date of his death there should be no liability to Capital Transfer Tax on the death of the life tenant or on earlier termination of the trusts by consent. This will be the case only if the assets were then also situated outside the UK. In the absence of liability to English tax the decision whether and when to terminate the trusts would be one of commercial convenience.

Executor and legatee

My wife and my son were the Executors of the Will of my wife's sister who died on May 21, 1979. My wife was the residuary legatee. Included in the residue was the deceased bungalow, which was valued for the probate at £56,500. In fact, it realised £30,050, thus attracting Capital Gains Tax, which was paid. On April 5, 1980, my wife and I carried forward capital losses on sales of securities amounting to some £670. I asked our Inspector of Taxes that these losses be set off against the profit on the sale of my sister-in-law's bungalow and a refund made to my wife. The Inspector replied as follows: "The property was sold during the Period of Administration of the Estate, and your wife acted in the capacity of Executrix and not as the residuary legatee. Therefore, your own and your wife's personal CGT losses are not available to get set against the CGT due from the estate of the deceased."

This is the exact opposite of the opinion of the Tax Expert of the local Executor and Trustee Department of my bank, on the strength of which opinion I submitted my claim. What, please, is your opinion?

If your wife and son formally assented to the vesting of the bungalow in your wife (as residuary legatee) before the date of the sale contract, then the bank's tax expert is right; if, however, they did not execute a formal assent, then the Inspector is right.

It is puzzling that your wife and son did not seek the advice of the solicitor who presumably acted for them, as he or she could have guided them on the taxation aspects of their executorship and the proposed sale of the bungalow.

Bank's retention of interest

My mother died on January 9, 1980, and had appointed her bank as executor and trustee of her estate, which included cash to a total of £34,000 in various accounts. I met the local trust manager on January 21, 1980, and during our discussions I asked the manager pending settlement to transfer as soon as possible the monies from the various sources into the bank's deposit account, so that I might benefit from their offer of the 15 per cent interest p.a. then prevailing. He agreed to do this. On December 5 I received the executor's statement from which it is obvious that my request had been ignored.

Is the bank entitled to keep for themselves the interest which such capital sums obviously earn while the same bank's trust division are administering the estate?

If not, what can I do to remedy the complaint?

We think that you can require the bank to account on the footing that the monies directed to be placed on deposit had been so placed, if the representative of the bank accepted, at the meeting on January 21, that they should deposit the monies. You should write to the bank's trust department pointing out that they had accepted your instructions and requiring the amounts to be adjusted accordingly.

Resident in the Philippines

I am employed at Manila International Airport and have been for the last six years.

I am, to enable me to work in the Philippines classed as a permanent resident and as such I pay full Filipino Government salary tax which is extremely high. I draw gross per year 125,000 Pesos. My tax payment is 46,000 Peso's, having only my wife and self and no other dependants. I am also in receipt of a RAF pension. This is taxed at source 33⅓ per cent. Do UK and Philippines have a tax agreement? If so how does it function? And am I paying too much tax between UK and the Philippine Governments?

A comprehensive double taxation convention between the Philippines and the UK was signed on June 10, 1976; it operates from April 6, 1977, for UK tax and from January 1, 1978, for Philippine tax. By virtue of article 18 (3), your RAF pension is exempt from Philippine tax (but is fully chargeable to UK tax).

It is a pity that you did not give us an idea of the size of your RAF pension, because that would have enabled us to give you a simpler and more helpful answer. The rates of UK tax which have been deducted from your RAF pension, during the past few years, are presumably as follows:

Year (ended April 5)	UK tax rates
1972-73	38¾%
1973-74	30%
1974-75	33%
1975-76	35%
1976-77	35%
1977-78	34%
1978-79	25% on the first £750
	33% on the remainder
1979-80	25% on the first £750
	30% on the remainder
1980-81	30%

It is possible that you may be entitled to a measure of relief under section 27 (2) (b) of the Income and Corporation Taxes Act 1970, but we cannot be sure from the bare facts given. We suggest that you write to the Inland Revenue Public Enquiry Room, Somerset House, Strand, London, England WC2R 1LB, for a copy of the free booklet IR20 (Residents and non-residents: liability to tax in the UK), which may make the position clearer to you.

No legal responsibility can be accepted by the Financial Times for the answers given in these columns. All inquiries will be answered by post as soon as possible.

Bridging the gaps

INSURANCE

ERIC SHORT

THIS WEEK higher charges for dental treatment on the National Health Service were announced. From April 1, the maximum charges for most courses of treatment rise from £8 to £9. So one will have to pay dentists £9 to undergo the agony of a filling or a tooth extraction.

But this is only one part of the cost picture. Many dentists, especially in the South East, are increasingly unwilling to do complicated oral surgery under NHS terms, even though apparently the NHS is now more amenable to approve such treatment.

People are finding that if they want oral treatment such as bridging, then they have to have the treatment done privately at the fee charged by the individual dentist.

The position of dentists within the NHS is quite different from that of doctors. The dentist can recommend a course of treatment which has to be approved by the NHS and there is a laid down scale of payment for each type. But out of this fee, the dentist has to pay the costs of the dental technicians, who are not governed by NHS scales. In many cases it is not worth the dentist carrying out the treatment under NHS scales and either it has to be done privately or other treatment is recommended.

A growing number of people are becoming more demanding in their dental requirements. They will not accept a simple extraction. They will not accept plastic materials, insisting on porcelain. But higher standards have to be paid for and the NHS is not yet prepared to meet the costs of these higher requirements.

The answer is either to pay up out of one's own pocket or take out dental insurance.

Dental insurance is a very recent innovation, the major provident associations which dominate the medical insurance field having consistently refused to offer this insurance because of the inherent dangers. But just over two years ago, John Green of Allied Medical launched this type of insurance followed nearly a year later by PDC (Private Dental Care) under David Burrows.

Allied Medical originally offered an insurance for individuals at a premium of £50 covering the cost of oral surgery, within certain limits. The contract limited claims to £500 in one year. This was followed by a company scheme aimed primarily at executives. PDC offered both individual and group contracts also at a premium of £50 (£35 for children).

Allied Medical found that its individual scheme was not taken up in sufficient numbers to keep the premiums at an acceptable level. Not surprisingly, people taking it out took full advantage of the benefits. Its group scheme sold as an employee benefit has gone very well. So the company discontinued the individual policy after two years. But PDC is still active in this field, though it needed to put up its rates. Premiums as from January are £75 for adults and £50 for children, with another review due later this year.

The experience of PDC is that the £500 limit on claims is adequate for almost every case of private treatment. But there have been many claims for between £350 and £400, illustrating the costs that can be incurred in having private treatment. The dentist can charge what he considers reasonable for such treatment. But the existence of medical insurance limits can curb his ambitions. But people wanting dental insurance should first try to persuade their employer to take out a scheme. These cover NHS charges as well.

Widow's portion

TAXATION

DAVID WAINMAN

THE TAXATION of trusts is a vast subject, and one which is vastly misunderstood. An article of this length can hardly do more than scratch the surface—but if our scratchings identify a bone structure, then the detailed rules which flesh it out may possibly begin to make more sense.

Rather than dissipating our energies on some general survey we can best concentrate on a single trust example. We will assume that a husband's will stipulates that his estate be held for his widow for her life, and is thereafter to be split equally between his two daughters. The details of that split are something we will come to in a moment.

But before that, we can note briefly what the widow's tax position will be. No capital transfer is payable on her husband's death, because the trust property is deemed for that tax to "become comprised in the estate of the transferor's spouse." The general principle is that where a beneficiary is fully entitled to income from trust assets, those assets are regarded as her own for capital transfer tax purposes.

The husband's executors gather in his estate, and pay any taxes or other debts owing at the date of his death. But on our assumptions, they have no Capital Transfer Tax to pay, and neither is there a Capital Gains Tax charge on the husband's death.

This column has examined in some depth, on 6 September, 1980, the tax position of the executors during the period — technically referred to as the administration period — when they are still dealing with the estate in their capacity of executors. Trustees, who may be the same individuals but in a subtly different capacity, then take over the assets at the end of the administration period.

At that time, the trustees take those assets with the market values at the husband's date of death still being deemed to be their base for Capital Gains Tax. Where the trustees sell assets, they are allowed a £1,500 per annum capital gains exemption, which is less generous than the £3,000 exemption enjoyed by the executors in each of the fiscal years — the one in which the husband died and the next two years.

On the income front, one can summarise the positon by saying that the trustees suffer basic rate tax, by deduction or by assessment, on the whole of the income from the trust fund. Their net income for each fiscal year is quantified and taken to be the widow's income for that year, except that the trustees' expenses paid from the net cash thus reaching them will deflate the widow's income by an equivalent net amount.

All this is relatively straightforward. It is when the widow dies that her trustees' life becomes more complex. First, Capital Transfer Tax is payable on the aggregate value of her own assets and those in the trust. It is normal to apportion this tax *pro rata* between her assets and those of the trust, so as to fix how much of the latter remains available to be handed over to the children.

But let us assume that the husband's original will specified the daughters' entitlement as follows: "Remainder to such of my daughters Dorothy and Caroline who shall be living at my wife's death and have attained at that date or do thereafter attain the age of 18 years if more than one in equal shares."

The elder daughter, Dot, was 20 when her mother died, and so she can take her half of the trust assets "absolutely," meaning that they become hers for all purposes and the income from them similarly goes to her and her alone.

But her younger sister, Carry, was only 15, and her half therefore had to be held in trust for a further three years. If she survives to 18, then she becomes absolutely entitled: but if she were to die before then, her interest would never "vest," (but would rather be "defeated") so that her share would go to Dot.

An analysis of its terms will show that this three-year trust is completely different in nature from the widow's trust, the differences being disadvantageous and costly in terms of tax. First, trustees holding funds for a minor have the power to accumulate income which they do not think it necessary to spend on her education, maintenance or benefit—this power being written by Section 31 Trustee Act 1925 into the terms of any trust which does not implicitly or explicitly exclude the operation of that section.

For this power, whether they use it or not, the trustees find themselves charged an extra 15 per cent tax on the whole income. To the extent they distribute it, Carry receives net sums after deduction of an aggregate 45 per cent tax: but if they hand over accumulations to her on her 18th birthday, along with the trust assets, the Trustee Act instructs the tax authorities that those accumulations are capital, not income.

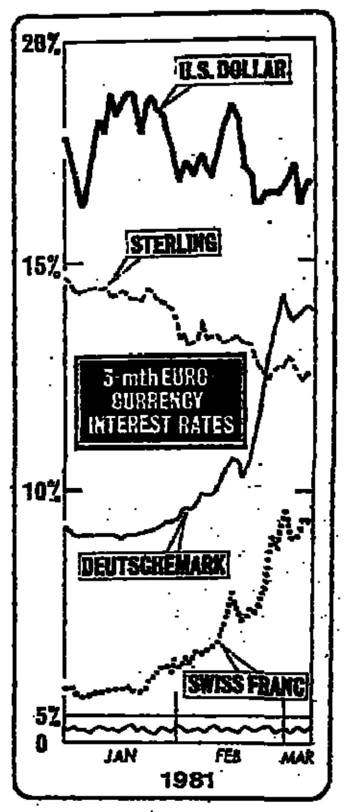
Second, that three-year trust is going to cost Capital Gains Tax when Carry "becomes absolutely entitled against the trustee" to the assets at that time in the trust. But what might have been the final straw will not in this case be laid on the camel's back.

Capital Transfer Tax would generally be payable when an accumulation trust comes to an end through the beneficiary becoming fully entitled to income (whether or not she also takes the assets that that time). However, Carry escapes this final indignity because Parliament specifically exempted children's "accumulation and maintenance trusts" from this particular charge, and her trust fits within that narrow definition.

YOUR SAVINGS AND INVESTMENTS—1

What's happening to the pound... James Makinson reports

Mark these words



THE POUND is at last answering the prayers of Britain's industrialists. After it seemed that nothing short of national bankruptcy would bring sterling down, the currency has begun to slide.

A month ago, the pound was riding high at DM 5 and $2.33. By Thursday of this week, however, it had slithered down to DM 4.7 and $2.20. The explanation lies, at least in part, with the steady fall in short-term UK interest rates.

For much of last year, the UK's current account surplus, its oil and its interestates proved an irresistible cocktail for the foreign exchange markets. The oil and the surplus are still there but the interest rates have been declining in relation to other major currencies.

The change is particularly graphic in relation to the Mark. For the first time in eight years, short term DM rates have overtaken their sterling equivalent. Until a fortnight ago, West Germany suffered from the punitive combination of having no oil, the world's largest current account deficit and relatively low interest rates.

The Bundesbank, which had been unsuccessfully trying to defend the Mark by foreign exchange intervention, decided to resolve the last of these problems and, by introducing more flexibility to its money market operations, drove up rates to their present high level.

It was an old-fashioned example of how central banks, acting in concert, can achieve results if they apply sufficient clout at the right time. The Federal Reserve, which had spent $4.4bn helping to defend the Mark between November and January 1980, obligingly allowed it Fed Funds rate to dip to around 14½ per cent and the Swiss National Bank increased its own interest rates in line with the new German policy.

The central bank action has succeeded in arresting the rise of the dollar but has failed to bring it down significantly against Continental currencies. For, in spite of their steep climb, German rates remain below the equivalent for dollars and many U.S. analysts believe that, although U.S. rates may *fall in the next few months*, they will rise again later in the year.

Whatever the explanation of the dollar's performance, it seems certain that the German authorities will need to keep their interest rates within striking distance of U.S. rates if the Mark is not to weaken again.

Since the Swiss will have to keep their own rates moving in line with Bundesbank policy and other continental countries are committed to defending the European Monetary System parities, sterling could be exposed if the Government decides to loosen the monetary reins much further.

The foreign exchange market seems at present to be discounting a 2 per cent cut in Minimum Lending Rate in the Budget on Tuesday. Any more than that and the foreign exchange market might decide that the pound had gone right out of fashion.

Hoping that Ben was wrong

IF YOU have money left after stocking up on drink, cigarettes and the Chancellor's other traditional targets, take a look at the accompanying table. In this world nothing, as Benjamin Franklin once said, can be said to be certain except death and taxes, but many in the City are pinning their hopes on a cut in Minimum Lending Rate next Tuesday. If they are right and MLR falls by, say, two percentage points, many of these other rates will come down too.

A dash to the building society or a visit to the bank manager, of course, is hardly worth the wear and tear on your running shoes. Banks will almost certainly drop their base lending rates and 7-day deposit rates in line with MLR while building societies, still precariously balancing the supply and demand for funds, will probably follow suit with a more modest cut.

The Post Office these days is well worth a special journey, not least because of the attractive 15 per cent gross which you can earn on the National Savings Bank Investment Account. This account is successfully spearheading the Government's attack on the personal savings market and whatever the Chancellor does on Tuesday it is bound to remain competitive.

Turning to the fixed rates at the bottom of the table, investors might at least like to consider that some of these returns may not be around much longer. Students of off-licence practice will be well aware that bottles with pre-Budget prices are more than likely to appear after March 10—in the same way the "hurry while stocks last" slogan is not always appropriate in the savings shop window.

All observers, for example, were discussing the imminent withdrawal of National Savings certificates 19th issue shortly after they were introduced in February last year. But no one likes to be written off and a year later the 19th issue is still alive and kicking. I don't want once again to fall into the trap of publishing a premature obituary, but the Government must feel it could now replace the 19th issue with something slightly less attractive.

The 19th issue, which offers 10.33 per cent free of all taxes if held for a full five years, is a must for all high rate taxpayers and is currently pulling in a useful £40m a week for the Department of National Savings. If withdrawn, there should be at least one week's notice.

Tim Dickson

VARIABLE RATES

BUILDING SOCIETIES	YOUR TAX RATES % Nil	30	45	75
Ordinary Shares	9.25	9.25	7.27	3.3
1 Year*	9.75	9.75	7.66	3.48
2 Years*	10.25	10.25	8.05	3.66
3 Years*	10.75	10.75	8.45	3.84
4 Years*	11.25	11.25	8.84	4.02
BANKS				
7-Day Deposits	11.5	8.05	6.33	2.88
NATIONAL SAVINGS				
Investment Account	15.0	10.05	8.25	3.75
FIXED RATES				
LOCAL AUTHORITIES				
Yearling Bonds	12.375	8.66	6.81	3.09
1 Year	12.25	8.58	6.74	6.13
2 Years	12.75	8.93	7.01	3.19
3 Years	13.25	9.28	7.29	3.31
4 Years	13.125	9.19	7.22	3.28
5 Years	13.25	9.28	7.29	3.31
NATIONAL SAVINGS				
19th issue (5 years)	10.33	10.33	10.33	10.33
2nd index-linked issue	11.0**	11.0**	11.0**	11.0**
INCOME BONDS (2 years)	12.0	12.0	††	††

* BSA recommendations.
** Official inflation forecast for next 12 months.
†† Depends on individual.

On the black side

A LITTLE more light was shed this week on what is widely known as the "black economy." Visible, for example, when builders ask for cash or companies buy petrol for employees' private use, the black economy is peopled by those who do not declare all or part of their income for tax purposes.

Fascination with this murky side of economic activity is no doubt partly inspired by the fact that nobody really knows its size. The most often quoted estimate is that of Sir William Pile, former chairman of the Board of Inland Revenue, who told the Commons Expenditure Committee it was "not implausible" that the black economy amounted to 7½ per cent of Gross Domestic Product in 1977—no justification however, has ever been produced for this figure.

Another official guesstimate was provided by the Central Statistical Office in 1980, which pointed out that 'expenditure estimates of national income have exceeded income estimates in recent years—by as much as 4 per cent in 1975.

The latest stab at black economy measurement was published this week by the Institute of Fiscal Studies (IFS) which suggests that "although a substantial proportion of the population may participate in the black economy it accounts for no more than two to three per cent of national income."

The IFS study was based on an exhaustive examination of the 7,200 households interviewed in the 1977 Family Expenditure Survey. Although the IFS authors say their results are consistent with a black economy of 2-3 per cent of national income, they admit that there are plenty of reasons to be cautious.

"After all, there could be an island in the North Sea, full of economic activity, subject to UK tax jurisdiction, but still undiscovered by the Inland Revenue—who could prove that such an island did not exist?"

Nevertheless the discrepancy between the IFS findings and Sir William Pile's view is significant. It would hardly be surprising if the Inland Revenue figure did not include a certain propaganda factor.

More controversial perhaps is this IFS conclusion: "If the black economy can be kept within very limited bounds, it is not obvious that it is something to be regretted. The existence of small amounts of economic activity on which the marginal rate of tax is zero, much of which would simply not be undertaken at all if it were confined to the formal economy, may reduce the disincentive effects of taxation and add to social relationships."

On the other hand, however small its overall size the black economy has a disproportionately large effect on certain areas of economic activity. Those operating within the law in such sectors are unlikely to agree with the IFS.

T.D.

Counting their blessings

SELF-EMPLOYED
ERIC SHORT

WHILE EVERYONE is speculating on next week's outcome, the self-employed should still be thinking of the blessings conferred on them by Sir Geoffrey Howe in last year's Budget.

For the first time the self-employed can now adequately provide for their pensions, because Sir Geoffrey gave them several valuable concessions in their pension provision.

First he put up the contribution rate on which full tax relief is granted from 15 per cent to 17½ per cent of earnings and he removed the absolute ceiling on these contributions—previously fixed at £3,000.

Then he allowed the self-employed to take advantage of any unused reliefs from previous years going back six years, though these cannot be taken up until the current year's reliefs have been fully utilised.

Finally, he allowed death benefits to be effectively free of Capital Transfer Tax, thus making it worthwhile for the self-employed to effect life cover and get full tax relief on the premiums, instead of just life assurance relief.

The choice can be summarised as follows. First, how much can be set aside for future provision? Secondly, how should this be split between life cover and pension? And finally how should the pension contributions be invested?

The investment choice is between traditional and unit-linked contracts with a variety of life companies and a number of different funds.

The best plan is first to get a bedrock of traditional pension contracts, which guarantee a high level of pension at retirement, and build on this foundation with unit-linked schemes.

A word of caution is needed here. The intermediary, whether broker or direct agent, will give estimates of pensions provided by the various types of contracts. The with-profit plan will project the current rates of bonus into the future in calculating the expected pension, thus indirectly taking into account the life company's past investment performance. But unit-linked projections are done at certain rates of interest, say 6, 8, 10 and 12 per cent, irrespective of the past investment performance. Such projections need to be interpreted with care.

Finally, the investor needs to decide to what type of fund to link his contract. Some like the Pearl offer only one fund—a mixed fund. Others offer a full range of funds with switching facilities.

YOUR SAVINGS AND INVESTMENTS—2

Tim Dickson discusses creditors' rights

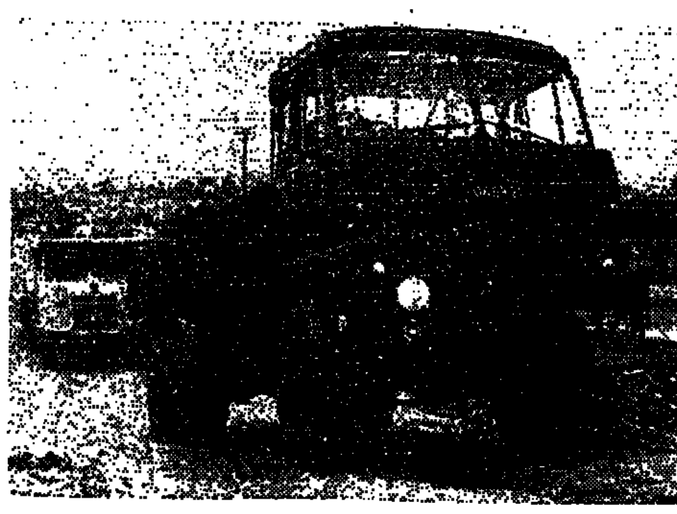
When the receiver calls

WITH ICI doing the unthinkable last week, small shareholders perhaps needed little reminding that share capital is about risk. Harsher evidence, however, was provided on Tuesday when a small band of the bewildered Fodens faithful heard to their horror that they will not receive a penny from the company's voluntary liquidation.

As the FT-Actuaries All Share Index moved forward 27 per cent last year, no fewer than 720 private and public companies called in the receiver, an increase of 71 per cent on the 1979 total. Some were small and unsung; others like Airfix, Bamfords, and Dunbee-Combex-Marx were household names with a large number of small, private and no doubt loyal shareholders. Insolvency and winding up usually happen with little or no warning and the process can be confusing to all but those most closely involved.

There are a number of different types of insolvency, but the first thing that happens is that the receiver—usually a partner in an accounting firm—is called in. This is not necessarily the end of the world. By selling off assets or finding a buyer for the company, something can occasionally be salvaged from the wreckage. The receiver's job is to deal with the claims (in this order) of those lenders who have a fixed charge over the company's assets, preferential creditors (these comprise employees and the Crown—taxes, rates, National Insurance deductions etc.) and those who have lent with a floating charge. A floating charge usually covers the current assets of a company, such as the money available from the realisation of stock, and debtors but plant and machinery may also be included. Most banks these days take a fixed charge over debtors, thereby putting themselves ahead of preferential creditors, in the queue for what is left over.

Once these claims have been satisfied, the receiver has finished his job and it is time for the liquidator to enter the fray. His role is to find out how much is left and pass it on to the remaining creditors. At the head of this second queue stand the unsecured creditors, who represent not only traders who are owed money but non-preferential claims of the State and employees' claims arising from breach of contract. There was, for example, a particularly nasty shock in store for Fodens' employees this week—the statement of affairs showed the company's pension scheme had been underfunded to the tune of £1.6m. This means that promised benefits cannot be provided in full.



Fodens: reaching the point of no return

Finally, of course, come the shareholders. Preference shareholders take a fixed return instead of a potentially rising dividend so they have the first claim on what's left. The ordinary shareholder is right at the back.

As some Fodens' shareholders may be feeling today there is a cruel irony in all this. Trade creditors, who can always see bills not being paid, and bankers, who no doubt closely monitor the mounting overdraft, have much better sources of intelligence than the hapless shareholder, limited as he is to two—not always helpful—annual statements and an annual meeting.

What then can and should shareholders do? If the receiver is called in, they should certainly hang on to share certificates so that any subsequent distribution can be promptly claimed. Even in the most hopeless cases, there is always an outside chance that the liquidator will unearth an Aladdin's Cave of priceless goodies which can help the company back on its feet. When Rolls-Royce first went into receivership the shares were assumed to be worthless. A final distribution of approximately 60p, however, was eventually paid to ordinary shareholders. Those Americans reputed to have made their certificates into souvenir lamp shades were jumping the gun.

More realistically, shareholders should attend annual meetings not simply to applaud uncritically the chairman and his board for "an encouraging year in difficult conditions." More shareholders attend AGMs the nearer a company gets to bankruptcy, though pertinent questions in earlier years could well have averted the crisis. As Mr. Christopher Morris, liquidation partner of accountants Touche Ross, points out: "Too many people stick their share certificates in the bottom drawer and forget about them. They ought to follow more closely the fortunes of a company and not wait until the creditors' meeting."

● Finally, a word about tax. Current legislation permits certain shares to be deemed as having "negligible value" if the Inland Revenue feels they are worth nothing. As such these shares can be treated as a disposal. This can therefore be claimed as an allowable loss for Capital Gains Tax purposes. This is obviously a useful facility for investors with significant capital gains from other sources.

Not all shares whose quotation has been suspended, however, will be classed as of "negligible value." The local inspector (who takes his orders in this case from Somerset House) has to be satisfied that the company is well and truly out for the count.

Rich man, poor man . . .

FOR MANY people whose own budgets have become as recession-strained as the Government's Ash Wednesday was an appropriate day for the Central Statistical Office to publish a set of figures showing that the big rise in personal incomes at the end of the 1970s largely benefited the already better-off.

Since the war, the distribution of incomes in Britain has undoubtedly become less unequal. The trend has favoured the middle income bracket at the expense of the very rich, with the share of total income taken by the highest earning 1 per cent of the population falling by more than a half during the last 30 years.

But the lower 50 per cent of the population on the bottom incomes still account for just under one quarter of the overall national cake, just as in the late 1940s—and their share has even been falling slightly during the last few years.

This week's Statistical Office figures were for 1978-79, the final year of the Labour Government, when overall incomes after tax rose by a massive 15.2 per cent or very nearly double the rate of inflation during that financial year.

Almost everybody—albeit to varying degrees — benefited from this large rise in real incomes in 1978-79. Since then the differences have become more marked.

No later figures are yet available. But it is clear that since the Conservatives came to power in May 1979 the rich have definitely become somewhat richer. And the poor—the term is relative, as must be all measurements of wealth and poverty in Britain—have grown a little bit poorer.

This is because tax changes have been geared to favour the higher income brackets, in line with the Government's policies in increasing incentives for the better-off.

Additionally, the gap between the higher and lower income groups has been widened further by high wage increases for the diminishing numbers in work and relatively small increases in social security benefits for those out of it.

Partly reflecting the rise in unemployment since the late 1960s, as well as the general extension of the social security system, non-taxable benefits accounted for nearly twice the share of total personal income in 1978-79 compared with 1968-1969.

Over the decade the share accruing from investment dropped sharply, mainly because of a big fall in the very top income bracket (who still however received nearly 20 per cent of their income from this source).

Interestingly enough, investment accounted for a slightly higher share of income among the lower to middle income groups, partly reflecting increased deposits with building societies and National Savings.

Investment habits are however changing. Another set of statistics out this week, applying to a later period than the income distributing figures, showed that net outflows from Britain as a result of portfolio investment abroad more than trebled last year to £2.8bn.

David Marsh

The LOA counterblast

LIFE INSURANCE

ERIC SHORT

THE Life Offices Association (LOA) is at last reacting to stop the stream of resignations of life companies. Instead of meekly turning the other cheek and uttering pious platitudes of regret each time a company quits, it is considering launching, with the Associated Scottish Life Offices, a public relations programme, including advertising, to stress the benefits of dealing with life companies which are members of the LOA/ASLO.

News of this proposed counterblast was timely, since this week another life company, Marine and General Mutual Life Assurance, unexpectedly walked out of the LOA bringing the total of companies which have left within the past 12 months to five. The dispute is about the maximum rates of commission which LOA members are allowed to pay intermediaries for certain types of business.

The exact details of the LOA campaign have apparently still to be worked out and the LOA either does not know or is not prepared to say when the programme is to be launched.

Michael Oppe, secretary general of the LOA, pointed out that one of the benefits of the public dealing with an LOA/ASLO life company was that these companies have to abide by the codes of practice controlling life selling by direct agents and other operations of the companies. In addition, the commission which these life companies can pay insurance brokers and intermediaries other than direct salesmen is restricted.

This, of course, is what those who have defected from the LOA resent — they argue that they can finance the extra commission which they pay certain brokers out of the extra business which they will pick up.

The obvious conclusion to be drawn from the launch of this programme is that the LOA is implicitly criticising life companies which have left the LOA, others which have never joined, and the brokers who support them, for paying commission over the odds.

Michael Oppe, however, is emphatic that the wording of the programme and the advertisements will be carefully chosen so that it will not be aimed at brokers. After all, brokers have to abide by a statutory code of conduct that states that their client's interests are paramount and must be put first.

He had no comment to make on the programme's implications for non-member life companies.

Both Equity and Law and Abbey Life, the two largest non-members, would not comment on this development, preferring to adopt a wait and see approach. Both are unrepentant about their commission payments to brokers. Their philosophy is that intermediaries have to be properly rewarded and this is a market place decision. The British Insurance Brokers Association is also playing it cool.

The LOA, however, now has good reason to be concerned. MGM Assurance, unlike all the others who have left recently, is not a new unit-linked life company. It was founded in 1852 and only transacts traditional life and pensions business.

The message is getting through to certain life companies, seeking to expand their business substantially, that either they pay brokers more or they establish a direct sales force or both. If MGM Assurance can leave the LOA, other small ambitious traditional companies could follow suit. Life business from brokers last year was dull and many traditional life companies are relying on their pensions business to provide any growth.

Only time will tell whether the LOA counter-attack will come into being. And its effectiveness will depend on how far it is prepared to spell out the benefits of membership. The emphasis is all-important. But already the benefits of the codes of practices are not exclusive, since many non-members are still members of the British Insurance Association and as such have to abide by the codes. This week Abbey joined the BIA, while Equity and Law never left.

This membership of the BIA and not the LOA is somewhat incongruous. The BIA confines itself to general insurance matters, leaving life and other long-term insurance matters completely to the LOA.

PROPERTY

Living underground

BY JUNE FIELD

COULD you live in a cave? Our ancestors did, presumably quite happily before we eventually progressed to two-up and two-down semi's. Now a return to some form of "earth-sheltered living" is one of the latest suggestions for energy-conservation, an idea already well followed through in America.

At the Daily Mail Ideal Home Exhibition, whose theme is energy in the 'eighties, which opens to the public at Earl's Court on Tuesday until April 4, a novel model-home has been built some seven feet under the village gardens, its flat roof blanketed with earth which has been turfed and planted with flowers. Only covered with earth on three sides, light comes in through a wall of windows and special skylights, to avoid any feeling of claustrophobia.

You go down a stairway into a large living-room with a fire, and there is a kitchen, two bedrooms and two bathrooms, just as in any normal family home.

Protected by the earth, the place is also warmed by the sun. Even in winter, enough sunlight would stream through the windows to account for a considerable saving on energy required for heating, claim the designers, architects Ledward and Macdonald. "The double-glazed windows act as passive solar collectors. The heat they collect during the day would be absorbed into the dense mass of the thick reinforced concrete walls, the heavy timber roof and the thick floor slab."

But is the idea anything more than an impractical gimmick, particularly in Britain? Architect Mr. Peter Ledward, whose personal ideal homes are a converted Victorian town house and a country cottage, and whose recently formed London, NW5, practice is responsible for some local authority housing, admits: "Finding a suitable site and the additional expenditure involved to build such a house able to withstand loads far greater than their equivalent above-ground counterpart, would deter most people."

He does, however, feel that a cave-like structure could be an advantage for holiday homes where the ecology and beauty of the landscape should remain undisturbed.

To learn about projects already undertaken in the United States, there is the University of Minnesota's Underground Space Centre study *Earth Sheltered Housing Design* (Van Nostrand Reinhold 1979), which includes details of various case histories such as a family cave built in 1975 for $15,000 complete with carpeting and granny annexe. (The owner Mr. Andy Davis was selling the franchise rights from P.O. Box 102, Armington, Il. 61721, U.S.). While Robert L. Roy's *Underground Houses—How to Build a Low-Cost Home* (Drake Publications 1979), tells how he built an earth house for around $8,000 in the foothills of the Adirondacks, north of New York State, almost along the Canadian border.

Back on the ground at Earl's Court, the rest of the show homes (by Architectural Services Planning Partnership, Barratt, Countrycraft, Davis Estates and Guildway), are of timber - frame construction mostly on fairly traditional lines—mock-rustic or just plain box, but all concentrating on making life easier and cheaper by labour-saving and energy-conserving appliances.

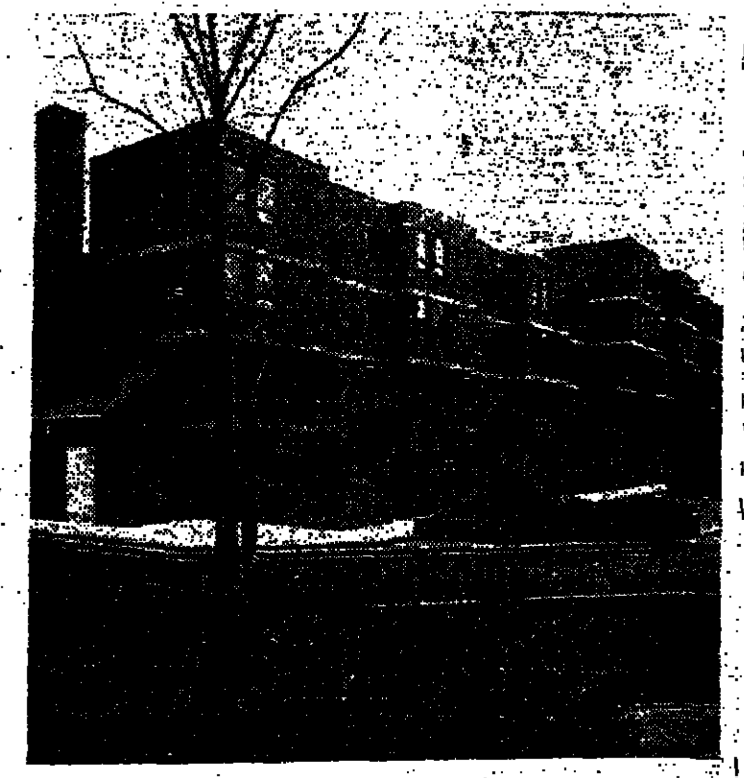
Pursuing their "guaranteed mortgage" promotion, Barratt Developments say that subject to status you can buy one of their homes for £25 a week. This covers a mortgage of £12,500, net of basic rate tax, with interest calculated at 14 per cent—to be reduced, it is hoped, after Tuesday's budget. In this price range is their new studio-apartment, on show to the public for the first time, offered as a complete package including mortgage, furniture, carpeting and equipment.

Also featured at Earl's Court is the part solar-heated Loch Rannoch Highland lodge estate (the new phase of which is Barratt-biult), where last week they opened a 70-metre green dry-ski slope, and ski tow, plus a swimming pool complex. In this attractive Scottish country setting which I first saw when building began some six years ago, there are fully furnished and luxuriously equipped holiday homes for sale on a time-ownership basis from £1,250 for a week's ownership in perpetuity of a studio, up to £6,250 for a large lodge, plus its own sauna, three bedrooms and three bathrooms.

I went up on the Heathrow/Glasgow shuttle, but you can also take your car by Motorrail to Perth, a 40-mile drive away. Brochure on this development and a similar one in Plas Telgarth, Snowdonia National Park from Mr. Stephen Wright, sales office, Multi-Ownership and Hotels, 6 Half Moon Street, London W1 (629 2731), or at the Ideal Home. They will also be at the first International Property Time-Sharing exhibition at the Piccadilly Hotel, London, W1, on Wednesday and Thursday. There you can find out how to swap your weeks with other owners, both in Britain and abroad.

Under a mile from Earl's Court, towards London's other major exhibition centre, Olympia, I went to this week's launch of St. Paul's Court, off Hammersmith Road, between Colet Gardens and Edith Road, W.14. Built by the Greater London Council on the old St. Paul's School site, the pleasing low-rise garden estate of 267 units was attracting enormous interest. Numerous reservations have been taken on the varied mix of accommodation—one-bedroom apartments from £27,950, two-bedroom maisonettes from £33,950 and at £38,950 to £69,750, three and four-bedroom town houses with a little patio or garden, plus covered parking. All the leases are for 135 years, at a nil ground rent, and the estimated service charges, which include hot water and central heating and outside maintenance, are from £400 to £874 per annum.

For a folder showing lay-outs and measurements of the rooms, either call at the site office 10-5 every day including Sundays (01-741 8262), and contact Mr. Robert Warde, or write to him at Dunphys, 162 Goldhawk Road, W.12 (01-743 1101).



Right: St. Paul's Court, London, W.14, between the shopping centres of Kensington High Street and Hammersmith Broadway, where this week some 267 units were offered for sale on 135-year leases from £27,950 to £69,750. Details Robert Warde on site, open 10-5 every day including Sundays, or Dunphys, 162 Goldhawk Road, W.12

Left: Solar heating panels on the roofs of the lodges at Loch Rannoch Highland estate where the new phase of holiday homes plus a green dry-ski slope and swimming-pool complex opened last week. Fully furnished and equipped studio apartments cost from £1,250 for a week's ownership in perpetuity, and the large 3-bedroom, 3-bathroom lodges with their own sauna up to £6,250 featured at the Ideal Home Exhibition which opens at Earls Court to the public on Tuesday, and the International Property Time-Sharing exhibition at the Piccadilly Hotel, London W1 oin Wednesday and Thursday

To correct a wrong figure which appeared in June Field's column of January 21 regarding Spanish property, the price for one of Villa Ferrer's seaside studio-apartments is around £7,800, according to the rate of exchange applying when you actually buy. Details Sra. Janet Ferrer Carrer del Pont, 22, Denia Costa Blanca, Spain.

Doing it yourself

CONFRONTED WITH a paint brush, I cringe. The smell of wallpaper and glue makes me ill. We chose our new house precisely because it wouldn't require strings of weekends to put right. The price for such convenience, however, seemed a bit steep, so when the vendor said he would be doing his own conveyancing, probably saving several hundred quid, I decided to do the same.

There are no rules against doing one's own conveyancing work and the building societies are usually accepting, if unused to, do-it-yourselfers. As for talent required, the work is no more challenging than a game of Scrabble and a good deal less challenging than managing one's bills.

Admittedly, my job was the simplest sort as we were first-time buyers of a registered house in a borough of London. The job is more time-consuming and slightly more demanding if you're buying and selling or if the property is not registered.

But for those who can find the time to do the conveyancing for both buying and selling a house, the savings are considerable. Good solicitors generally charge between £500 and £750 for a sale and purchase and about £350 for a single purchase. If you choose to do your own work, your building society will then require you to pay its solicitor for the work he or she does on your mortgage. This cost, which you can't escape, was slightly over £100 for the solicitor hired by the Greenwich Building Society in my case, and £75 for the one hired by Abbey National for my vendor. The forms I used cost less than £3, postage and a few fees set me back another £12. Altogether I reckon we saved nearly £200, while my vendor, who did both his sale and purchase, saved much more, probably enough for a *Jacuzzi* in the back garden.

How long did all this take? The author of the book I used, Mr. Michael Joseph (The Conveyancing Fraud, £2.95), estimates that had I hired a solicitor, she would have spent 70 minutes sending and inspecting forms on my behalf, another 45 minutes for letters and phone calls and five minutes "picking her nose" and drinking coffee: a total of two hours' work. Looking back on how I spent my time, I'm sure I spent a disproportionate amount of time in the last category, but no more on the other two, discounting the searches I chose to do in person and driving time to the completion meeting.

Mr. Joseph makes the point, which is fair, that most solicitors will not make inquiries in person at your local authority about your property, but will do the work by mail with regulation forms. Thus, he contends, if you suspect a motorway is about to be built just beyond your back garden or the water mains are likely to rerouted, you are better protected if you make the inquiries yourself.

For a routine purchase of a house in a city, however, a personal search isn't essential and you can simply do it by mail. It might be a good idea to make the trip to the local authority if only for the satisfaction of seeing how dead easy the task is for a registered property. I spent a morning at it and found the clerks in Woolwich to be generally courteous and surprisingly helpful, if unused to a human being rather than forms.

After that, my conveyancing work demanded the occasional 10 minutes during the working day to make phone calls, fill in forms or write letters. The job becomes more troublesome if you have to work at home, as children, dogs or cats have little reverance for official-looking forms. Happily, the legal stationers in Fleet Street do not limit the number of conveyancing forms they sell.

There's really just one good reason for a reasonably good Scrabble player not to take on his or her own conveyancing work—that's if the Scrabble player is easily intimidated. A colleague who stopped to watch me fill out one of the forms summed it up: "Doing your own conveyancing?—you must be incredibly brave." Bravery is exactly what it takes, nothing much more.

The solicitor who handles your mortgage for the building society (at your expense) may be unpleasant and unhelpful. A stern telephone voice and an officious letter-writing style is essential for conveyancing work. Add these talents to pompous letter-head stationery and you are away.

I shamelessly questioned the solicitor to make sure I had the exact documents she required. I also brought some of the forms, unfinished, in order to fill them out to her satisfaction under her nose. In the end, all was in order at completion, except for a missing 54p on the purchase price. Once produced this brought to an end the cheerless ceremony that lasted about eight minutes.

One needs a book to guide you through the conveyancing process. Mr. Joseph's was excellent, although half of the book is a polemic on the why's of doing it yourself, instead of more details on the how's. Instead of pages of moaning about Britain's legal system, I would much rather have had completed copies of all the forms required—if only to stand up more effectively to bellicose solicitors. Foyle's offers a selection of books on the subject, but it's useful to use the same book as your vendor or purchaser if they also decide to do their own conveyancing.

CARLA RAPOPORT

CHESS

LEONARD BARDEN

PLAY by precedent, long a feature of chess openings and end games now makes a growing impact on middle game tactics. The context is not general awareness of isolated pawns, light-square weaknesses, or threats by queen and rook to an unguarded back rank. Knowledge of such strategic themes has been part of the armoury of every first-class player since Morphy and Steinitz. The new factor is knowledge of attacks and sacrifices which stem from particular openings or are based on specific, precise piece formations.

Two recent books illustrate the process of de-glamorising chess tactics by systematic analysis. *Encyclopaedia of Middle Game Combinations* by A. Matanovic (Batsford £14.95) has collected more than 1,800 positions and classified them into 16 types of middle game attack.

Examples are pinning enemy pieces, annihilation of defence, blockade, pawn break-through, and pursuit of an exposed king. Each classification has two stages, simple and complex, and the diagrams, a dozen to a page, are presented so as to facilitate solving as you read.

In common with other books in the "Chess Informant" series, the Encyclopaedia uses figurine notation, with pictures rather than letters to designate the pieces, plus languageless assessment symbols. For those who find this approach too clinical and are also deterred by the £15 price, there is *Play Chess Combinations and Sacrifices* by David Levy (OUP £4.95 paperback). Levy like the Encyclopaedia, classifies tactical ideas under themes and lists rules of thumb for sensing when a combination may be present. He gives fewer examples than Encyclopaedia but he deals with two aspects ignored there—sacrifices associated with specific openings and sacrifices made for the shock or bluff effect on an opponent.

Dissemination of knowledge removes mystique. Both books give examples of the celebrated double bishop sacrifice won by Lasker in 1889 and Tarrasch in 1914. This classical offer requires three special preconditions—attacking bishops on adjacent diagonals, free passage for the attacker's Q and R to the king, diversion of a defensive knight—which can only occur from a limited range of openings such as the Bird (1 P-KB4), Queen's Gambit and Queen's Indian.

Chess computers already have memory banks of opening analysis while the best programmes (not the home models) can accurately calculate end-games such as Q v R or R+P v R. The family pattern of this week's games—played independently a few weeks apart—suggests that computerised brilliancy is now also possible, using prototypes from Matanovic and Levy. It would be no threat to chess; there still remains a huge position judgment area where the gap between man and machine is widest.

White: Borovinica. Black, Marinkovic. Yugoslavia 1978.

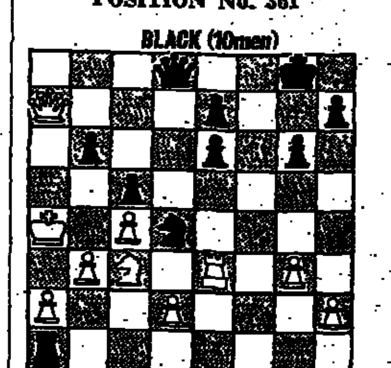
1 P-Q4, N-KB3; 2 P-QB4, P-K3; 3 N-QB3, B-N5; 4 P-K3, P-QN3; 5 N-B3, B-N2; 6 BK2? (6 B-Q3 is the active move), N-K5; 7 Q-B2, 0-0; 8 0-0, P-KB4; 9 NxN, BxN; 10 Q-N3, B-Q3; 11 N-Q2? (Black already has two of the preconditions noted above, and this blunder provides the third), BxP ch! 12 KxB, Q-R5 ch, 13 K-N1, BxP; 14 KxB (14 P-B3, Q-N6—see next game). Q-N4 ch; 15 K-R1, R-B3; 16 N-B3, R-R3 ch; 17 N-R2, Q-R5; 18 B-R5, QxB; 19 K-N2, Q-R6 ch; 20 Resigns.

White: Pollak. Black: Anhalt. West Germany 1978.

1 P-Q4, N-KB3; 2 P-QB4, P-K3; 3 N-KB3, P-QN3; 4 P-K3, B-N2; 5 B-Q3, B-K2; 6 N-B3, P-Q4; 7 P-QN3, 0-0; 8 0-0, P-B4; 9 B-N2, N-B3; 10 R-B1, R-B1; 11 Q-K2, N-QN5? (better BPxP; 12 KPxP, R-K1; 13 KR-Q1, B-Q3 with B-B5 to follow in some lines); 12 B-N1, QPxP; 13 NPxP, B-R3; 14 N-K5, Q-B2; 15 N-N5, Q-N1; 16 P-B4, N-B3; 17 P-Q5! PxP; 18 PxP, N-QR4 (if NxP; 19 Q-Q3, N-B3; 20 NxN, RxN; 21 BxN wins); 19 P-QR4, B-N2; 20 N-Q7! (precondition No. 3), NxN; 21 BxP ch, KxB; 22 Q-R5 ch, K-N1; 23 BxP, P-B3 (KxB; 24 Q-N4 ch—see previous game); 24 Q-N6, R-KB2; 25 B-R6 ch, K-R1; 26 QxR, R-N1; 27 R-KB3, Q-K1; 28 B-N7 ch, Resigns.

POSITION No. 361

BLACK (10men)

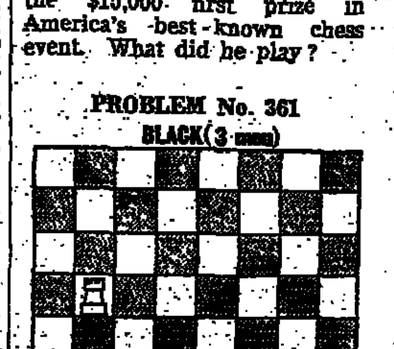


WHITE (10men)

Quinteros v. Dzindzihashvili, Lone Pine 1980. Black's next move forced immediate resignation and helped the winner to the $15,000 first prize in America's best-known chess event. What did he play?

PROBLEM No. 361

BLACK (3 men)



WHITE (4 men)

White mates in three moves at latest, against any defence (by J. Burbach and G. Bouma, Rochade 1980).

Solutions Page 12

BRIDGE

E. P. C. COTTER

IF YOU want to check some bidding convention, if you are not clear about some coup or stratagem of card play, you will find your needs met in "The Bridge Player's Alphabetical Handbook" (Faber, £6.95) by Terence Reese and Albert Dormer.

We look first at the Coup *En Passant:*

N
♠ 7 5 4
♡ 8 5 3
♢ A K 9 7
♣ A J 2

W
♠ Q J 10 6
♡ 10
♢ J 8 5 2
♣ 9 6 4 3

E
♠ K 8 3
♡ Q J 9 2
♢ Q 10 3
♣ 10 8 5

S
♠ A 9 2
♡ A K 7 6 4
♢ 6 4
♣ K Q 7

With neither side vulnerable, South dealt and opened the bidding with one heart, to which North replied with two diamonds. South rebid two no trumps, and North said three hearts, a bid showing three cards in hearts, and offering a choice of final contract. The opener decided to settle for four hearts.

West led the spade Queen, East encouraging with the eight, and the Ace won. The declarer cashed Ace and King of trumps, and West showed out on the second round. The position looked hopeless: there were two losers in each major suit, and no means of disposing of them. A player not conversant with the *coup en passant* might concede defeat, but this declarer knew his way around. If East had the right hand pattern, he could get home.

Cashing the Ace, King of diamonds, he ruffed a diamond in hand, then cashed King, Queen, Ace of clubs, and led the last diamond from the table.

In the four-card ending East held King, three of spades and Queen, Knave of hearts, while South had nine, two of spades and seven, six of hearts. East was helpless. If he discarded, South would ruff and score his tenth trick; if he ruffed, South would throw a spade, and eventually make another trump trick.

This coup requires precise timing to be effective.

We turn to the "Uppercut"

N
♠ K 10 8 2
♡ Q J 7 3
♢ A 10
♣ 10 5 2

W
♠ Q 6 5 3
♡ 9
♢ J 9 6 5 2
♣ K Q 9

E
♠ 9 7 4
♡ K 8 6
♢ 7 4 3
♣ A 8 7 4

S
♠ A J
♡ A 10 5 4 2
♢ K Q 8
♣ J 6 3

South dealt at game to North-South and bid one heart. North raised to three, and South's four hearts concluded the auction.

West cashed King and Queen of clubs, and a third club was won by the Ace. Deciding that the setting trick could come only from the trump suit, East led his remaining club, hoping that his partner had either the nine or ten of trumps. The declarer discarded, and West ruffed with his nine of hearts, and dummy overruffed with the Knave. The declarer can still pick up East's trump King by finesse, but he cannot prevent East from making one trick in trumps to defeat the contract.

The uppercut operates with reasonable frequency against the declarer. The West player after making one or two tricks in a side suit, and knowing that both his partner and the declarer are now void of the suit, leads another round. The East player ruffs as high as he can, hoping to promote a trump trick in his partner's hand. The "uppercut" on dummy, as here, is somewhat less common, but it should be added to your repertoire. Now you know where to find it.

RESIDENTIAL PROPERTY ALSO APPEAR TODAY ON PAGE 15

هكذا من الأصل

No stars in Geneva

MOTORING

STEWART MARSHALL

The new Volkswagen Scirocco—is there a hint of the Porsche 928's rotundity ?

IF A motor show is to be judged by the number of new models making their world premier, the 1981 Geneva show is a much lower-key event than usual. In the sense that the undoubted star of the 1980 British Motor Show was the Metro, Geneva simply does not have one.

Volkswagen is displaying a new Scirocco. It is a little curvier than the old one, roomier inside and, due to aerodynamic improvements, more economical.

Fiat has face-lifted the Mirafiori with new overhead-camshaft engines for the 1400 and 1600 models. Plastic bumpers now extend all round the body protecting it from minor biffs and bangs. Any car without this sensible and money-saving feature will soon deserve to encounter sales resistance.

Ford is showing a 2.8-litre fuel-injected Capri, introduced in a bid to fight off the growing challenge this elderly model is meeting from the Renault Fuego. Opel, having seen how well Mercedes is doing with its luxurious estate cars, has a shooting-brake version of its six-cylinder Commodore, and Portaro has launched a turbo-charged version of its Land Rover-type four-wheel-drive vehicle.

The biggest attention getter at Geneva is not making a world debut, for it was first shown publicly in Ulster a few weeks ago. But the De Lorean is pulling the crowds just the same. With its brushed stainless steel body panels and gull wing doors this rear engined Renault V6 powered sports two-seater is visually exciting. Few people have yet driven it, and I cannot comment on John Z. De Lorean's claim that "it is much less intimidating than many sports cars—you don't have more car than you think you can handle." But, if it goes as well as it looks, it should be a stunner.

All the 20 De Loreans coming off the assembly lines today are going to the U.S., where they will sell at $25,000, about £11,360—"about half what the car is worth," in Mr. De Lorean's view. With £70m of your money and mine invested in it by the Government, one must wish it well. Continental and UK sales begin in 1982, by which time production will, it is hoped, have reached 25,000 cars a year.

But Geneva, though a little short of superficial glitter this year, is an exceptionally interesting show. Switzerland has no car industry and it is a rich, intensely competitive market for the world's motor manufacturers. Despite the recession, which cut European car sales substantially last year, the Swiss bought marginally more cars in 1980 than in 1979 — 280,453 against 280,102.

More than 40 per cent were German. Japan, with 23 per cent of the market compared with 16 per cent in 1979, pushed France (19 per cent) into third place. Italy (11.2 per cent) was fourth, Britain, once Switzerland's main car supplier, fell to 6th place with 1.5 per cent (a drop from 2.1 per cent in 1979), but hopes to do much better this year. The Metro is having its mainland European launch at Geneva, and British Leyland hope to sell 100,000 to the main Continental markets in the next 12 months, the same number as they plan to sell in Britain.

The Metro has gone down well at the show, but it faces formidable competition in the Swiss market on price alone. The cheapest Metro 1000 costs SwFr 11,200 (£2,730) and the 1.3S is SwFr 12,950 (£3,160). In this price class come such rivals as the Alfasud, Mitsubishi Lancer 1.6, Peugeot 305, the front wheel drive Toyota Tercel and the VW Derby.

Economy is in the air at Geneva even though the taxi that one catches to the exhibition hall is likely to be an immaculate 1981 Cadillac Seville. Much attention is being focused on the Fiat 147, the world's smallest diesel car, with a 1.3 litre engine, giving it an urban fuel consumption of 44 mpg. The 147, which is made in Brazil, is a 127 with slight modification. Sales will at first be confined to Italy, where demand for diesel cars is insatiable.

Peugeot are showing VERA, an experimental car based on the 305 but having a fuel consumption 25 per cent lower. The VERA's attack on energy waste is three-pronged. It is much lighter and has a lower wind resistance, and consequently needs less power to provide the same performance as a normal 305 saloon. Its engine is based on that of the smaller Peugeot 104. VERA will never go into production, but many of its fuel-saving ideas will be seen in Peugeot cars of the future. Renault are having a new version of the ever popular R5 in Switzerland that is powered by the R14's engine. It will come to Britain in due course. Colt announced at the show that they will be selling the 1200 front wheel drive hatchback in Britain, at an on-the-road price of £3,999. It has a four-speed gearbox instead of the eight-speed 2-range transmission of the 1400.

Mercedes became the first manufacturer to offer customers the controversial airbag crash protection system. For £300 buyers of the new S class cars get an airbag system built into the steering wheel hub to complement but not replace the seatbelt. In an impact faster than 11 miles per hour the airbag inflates and a retracting device also tightens the front passenger's belt for added protection. Replacing the bag after a crash will cost £400—an added financial incentive to drive carefully, and keep out of trouble.

French connection

The beach of white coral sand at Le Morne Plage

TRAVEL

LAILAN YOUNG

YOU COULD be forgiven for thinking that you were in France, or even India, instead of in the little Indian Ocean island of Mauritius. Most of the people speak French or Créole, yet the majority of the population in this Commonwealth land is Hindu, and it is weird to hear women in gloriously coloured sarees and businessmen whose ancestors came from India or Pakistan speaking to each other in French.

Muezzins calling the faithful to prayer remind the visitor that there is also a sizeable Moslem population, while around the corner from the splendid Jummal mosque in the capital Port Louis there is an old Chinatown where importers of spices and oriental bric-à-brac and off-course bookmakers with names like Wang and Tang do business in shabby shops that resemble a Hollywood movie set.

African and Créole families are numerous, too, adding to the intriguing cocktail mix of races resulting from French and British colonisations of the island in the 18th and 19th centuries.

Morris Minors are everywhere, many of them taxis. Mauritian technicians will probably be the last in the world to know how to repair this great British invention in say 2000 AD. Driving is on the left, but there are enough drivers who think they're in France to make caution on the roads advisable. A branch of flowering poinsettia in a tin drum serves as a road works sign if no flag is available.

The island was formed by a powerful volcanic eruption which also threw up three chains of mountains with such image-provoking names as les Trois Mamelles (three breasts), le Pouce (thumb), and le Morne (mournful one). Separating a 2,000 ft high central plateau from the coast are gorges and fast-flowing rivers which tumble into waterfalls.

Mauritius is encircled by a protective coral reef and fabulous blue green seas. The coastline is a mixture of fine, sandy beaches, coves and bays. Everywhere, and sometimes extending for miles without a break, is sugar cane, the main source of income. Before it can be planted the ground is cleared of rocks which, when stacked into enormous mounds, from the air look like ancient Babylonian temples.

To tour the island thoroughly we stayed in different coastal resort hotels on offer in the Speedbird and Sovereign holiday brochures. Our first base was at le Méridien on le Morne peninsula, a pleasant hotel with a good beach. From there we toured the entire rugged southern coast, but obediently observed the numerous signs: "If you bathe here you may drown." At the nature reserve in the forest-clad slopes of the Black River Gorges our patience was rewarded with five sightings of families of Malay macaque monkeys, the melodious song of the red whiskered bulbul, glimpses of tropic birds and green parakeets, but we missed seeing a Javanese deer.

Another successful excursion from this base was to Curepipe, the island's main residential town. Despite all the promises in the tourist brochures we didn't see any local girls as elegant as a Parisienne, nor did we find any good tailors or dressmakers. Though plentiful, the one we chose succeeded in making me a completely square dress, and there aren't many bodies like that around.

Outside Curepipe is Trou aux Cerfs, an extinct volcanic crater from which there are good views of the island.

Port Louis is an old town with fine French colonial buildings and a lively market. In the pork meat section Chinese butchers shout louder than proverbial fishwives, while on the other side of a partition Moslems quietly get on with the job of selling beef and fish. The man who mixes *tisanes* can offer herbal cures for any ailment, but claims to be best at curing rheumatism and wind.

The shops in the shabby side streets off the market offer a choice of curios, spices and textiles from many lands. Salesmen expect locals and tourists to bargain, but even if they get the better of you your bank balance will not suffer.

South of Port Louis is le Réduit, the French-style colonial residence of the Governors-General set in superb gardens with sweeping views over two ravines. A guard showed us a small cemetery for the dogs of Gs-G of ages past.

North of the capital is Trou aux Biches where a hotel of the same name is featured in the Speedbird brochure. The cool bungalows are scattered in a palm grove facing on to an excellent beach. We tried windsurfing but never mastered the art.

We joined a deep-sea expedition organised by Roland Parpaillon who is also in charge of fishing and watersports at Le Méridien hotel. Although we broke no records, we saw many whales looking every metre as magnificent as Moby Dick.

For the faint-hearted, Mauritius has moments of terror. Such as mine at Trou aux Biches when I was awakened by the sinister laugh of a night intruder who turned out to be a laughing lizard. The loud cackle emitted from his neolithic body in the pitch black night was most disturbing.

There are scores of Hindu temples in Mauritius, and one group worth visiting is Maheswarnath near Trou aux Biches. Another not to miss is the Dravidian temple on the road between Port Louis and Terre Rouge.

The next two hotels were impressive: St Géran on the east coast near the superb beach of Belle Mare, and further south Touessrok, built on an islet reached by a covered bridge. St. Géran is known for its seafood suppers, but the wines "made" in Mauritius are excruciating: often mixed from powder, they are best avoided, as is coffee which is always "instant" everywhere on the island.

Like all hotels St. Géran offered singers and bands as nightlife fare, but more popular was the crab race which was won by a creature called Lumbago who came in ahead of Slipped Disc, Constipation and Diarrhoea. It was all as innocent as the games we played when we were six.

In the arable land around St Géran farmers armed with shotguns patrol their vegetable patches. It would be an unwise person who chose to look at the moon or do anything else near his parked car there at night.

The most picturesque hotel is la Pirogue which has rondavels with steeply pitched thatched roofs shaped like the sails of the local pirogue boats. My second noctural visitor was a frog on my pillow. I screamed.

Anyone interested in festivals can have a feast: Maha Shivaratree is celebrated in February when thousands of Hindus bathe in the Grand Bassin at the bottom of a crater. Tamil fire-walking ceremonies are held from October to March. The beautiful Divali, or festival of lights, is in November. Brightly decorated screens are pulled through the streets during the Moslem festival of Muharram and the Chinese celebrate their New Year with a dragon dance. For gamblers the Champ de Mars race season is from May to October, and there are casinos at le Morne Brabant, le Méridien, Trou aux Biches and St. Géran hotels.

From September to early November the days are warm and sunny. April and May are pleasant, but from June to August the days are short and wet. December to March is hot and cyclones come in January.

Getting there: British Airways have weekly services. Fourteen nights with Sovereign Holidays are from £610 and include la Pirogue and St. Géran hotels. Speedbird Holidays range from £809 to £950 for 14 nights and include Touessroc, le Morne Brabant, le Méridien and Trou aux Biches hotels. Prices are for half-board. Cars can be hired if you are over 23 and have held a licence for at least a year. An international driving licence is required.

Trim before the spring

GARDENING

ARTHUR HELLYER

THIS IS A good time to be doing a little pruning in the garden. Sap is on the move but not yet so vigorously that there is likely to be any serious bleeding from wounds. But if there are any large branches to be removed the sooner it is done the better and at this time of year I would recommend painting or spraying the cut surfaces with a good wound dressing to seal them quickly.

But most of the pruning at the moment will be much smaller in scale than this; more a thinning out of overcrowded stems of shrubs and the shortening of some that have grown lanky or are out of balance. Little or no pruning should be done to shrubs that flower in spring or early summer since most of these have already formed their flower buds or will do so very shortly on short side growths from the older stems.

It is those shrubs that flower from about midsummer onwards that can be pruned with greatest success now since they all flower on the current year's growth. The main exceptions to this general rule are roses which will certainly start to flower before midsummer but grow so rapidly that even as late as the first week in April they can be hard pruned and will still be able to flower on the young growth by late June.

Rose pruning, if not already completed, should certainly have priority now. It is most necessary for the bedding varieties, those that we call hybrid teas or large flowered and also the floribunda or cluster flowered roses. All these rely greatly on an abundant supply of strong young growth and this can only be assured by moderate to severe pruning allied to generous feeding.

The rule of thumb is simple enough: total removal of old and worn out wood and very thin stems and shortening of all the sturdy growth made last year by anything from one third to two thirds its present length according to whether one wants the largest possible plant or the largest individual flowers or flower clusters.

In practice these basic instructions nearly always have to be adjusted to meet the peculiarities of individual plants which rarely look like the ideal specimens chosen by experts for illustration.

The common purple buddleia and the hardy white *Hydrangea paniculata* are two typical late summer flowering shrubs that can benefit from quite severe cutting back now. It is possible to shorten everything to within a foot or thereabouts of ground level but with buddleias only if this has been regular practice in previous years. If they have been allowed to grow unchecked for a long time and so have formed a framework of really stout branches with rough bark it is unwise to cut into this as it frequently fails to produce new growth and the bushes may simply die.

But last year's stems, with smooth thin bark, can be shortened to an inch or so no matter how long they are and by this means an overgrown bush can be gradually reduced to acceptable proportions.

Hydrangea paniculata can be cut back even into two or three year old growth with every prospect that it will produce new growth. There are two results to be expected from this hard pruning, one that the bush will be kept much smaller, which may or may not be considered an advantage, the other that individual flower heads will be larger, which is nearly always appreciated.

One might suppose that precisely the same comments would apply to the many, often highly coloured, varieties of *Hydrangea macrophylla* since they also flower outdoors in late summer and do so on young growth. Alas in gardening generalisations are continually having to be amended and this is a case in point. Many varieties of *Hydrangea macrophylla* only flower on young growths produced from the terminal buds formed the previous year. Deprive the plants of these and you will get plenty of strong new growth but very few flowers. Even this statement needs modification for there are some varieties that will flower on side growth made lower down last year's stems. *Generale Vicomtesse de Vibraye* is a notable example of this.

It is an excellent hydrangea to plant in cold places where the exposed terminal buds are often destroyed in winter but the more protected and less highly developed buds lower down may escape unharmed. But although it is right to remove frost-damaged tips from hydrangeas of this kind, it is not wise to prune them severely as one would *H. paniculata* for that really would deprive them of flower.

All these hydrangeas, and also the allied varieties of *H. serrata* and the even more vigorous *H. aspera* (still better known by its old name *H. villosa*) and *H. sargentiana* are best left unpruned, or at most given a thinning out of complete stems sufficient to let in light and air and improve the appearance and balance of the plants. This kind of thinning can be applied to almost anything and is particularly useful for thicket forming shrubs such as many of the summer flowering spiraeas and potentillas which can become overcrowded with weak stems.

One must approach clematis with as much circumspection as hydrangeas for they too, for purposes of pruning, fall into two groups, the early flowerers, which broadly means those that have finished for the year by the end of June, and the late kinds that are really only just starting to make a display then and may well continue to bloom into the autumn. *Clematis montana, alpina, macropetala* and *armandii* are examples of the first type and also some of the large flowered hybrids such as Nelly Moser and Henryi. *Clematis jackmanii, C. viticella* and all their offspring as well as yellow flowered *C. tangutica* and *C. orientalis* and the very late flowering sweetly scented *C. flammula* are examples of the second type.

On no account prune the early flowering clematis varieties now or you will destroy all hope of seeing many flowers this year. The most you can do (and should do) is to remove dead growth and cut back to convenient length stems that have strayed too far for convenience or safety. There is no sense in allowing over-vigorous clematis stems to penetrate beneath the tiles.

Any additional pruning that may seem desirable to restrict size and improve shape should be left until midsummer when flowering is over for the season and yet there is still time for new growth to be made to flower the following year.

By contrast the late flowering clematis can be cut down now almost as much as one likes since the result will be to force them to produce a limited number of young stems which, since they are being fed by an unreduced root system, are likely to be especially sturdy and carry very fine flowers. It is not essential to prune late flowering clematis varieties in this way and it may not even be desirable if you want them to cover a large area, but it is possible and even beneficial and now is the time to do it.

Except in the mildest places where fuchsias normally retain all their old stems and may even be grown as hedges, all old stems, which are probably dead or dying already, should be cut off now a few inches above soil level. Much new growth will then come direct from the roots and crowns which are, it is hoped, undamaged and this is the way to get the best quality flowers from fuchsias. It also suits the late flowering caryopteris, sometimes known as the "blue spiraea" because of its fluffy blue flower clusters in August and September. It is an attractive grey leaved sub-shrub that deserves to be more widely planted but it needs sunshine and good drainage.

SKIING

ARTHUR SANDLES

IN THEORY March is the best time of year for skiing. The days are longer, the temperatures higher, the skies more blue, and the people more interesting. In fact, the March skier faces the problem of finding decent snow.

In effect, this means that the late skier is someone who needs a deep pocket and a quick wit. One thing you can be sure of. The cheaper the price of special offers at this time of year, the less reliable the snow conditions are likely to be.

Italy has had an appalling season in many areas. Tour operators have cancelled programmes and skiers have found themselves without holidays.

If you are booking a holiday for three or four weeks ahead, there are a few guidelines to keep in mind. Head for higher slopes, preferably above 1,750 metres. In January such mountains can be bitterly cold, but in March they come into their own.

It is as well to choose resorts which have a high proportion of north-facing runs. Try to pick somewhere which is a good distance from major centres of population, and preferably with not terribly good road/rail connections—that way you miss the local day-skiing crowds.

A useful starting point for research is the Ski Atlas by Mark Heller, although many tour operator brochures are quite useful. Probably most helpful of all is the Ski Club of Great Britain.

There are two places that I would choose to spring ski, given the conditions were right. One is on the Gampberg side of St. Anton (Austria), where there is a remarkable suntrap around the restaurant at Brandkreuz. The other would be on the Big Burn run at Snowmass, Aspen (Colorado).

SNOW REPORTS

EUROPE

Kitzbuehel (Aus.)	70-205 cm	New snow on hard base.
Seefeld (Aus.)	110-160 cm	New snow on good base.
Wildschoenau (Aus.)	85-210 cm	Good all round spring snow.
Andermatt (Sw.)	150-360 cm	Powder on hard base.
Grindelwald (Sw.)	90-200 cm	New snow on good base.
Crans-Montana (Sw.)	75-150 cm	New snow on hard base.
Verbier (Sw.)	50-230 cm	Powder snow off piste.
Sauze D'Oulx (It.)	30- 80 cm	Best conditions of 1981.
La Plagne (Fr.)	190-450 cm	Good skiing everywhere.
Flaine (Fr.)	160-525 cm	Good skiing everywhere.
Les Arcs (Fr.)	100-250 cm	New snow on good base.
Tignes (Fr.)	160-250 cm	Soft snow on hard base.
Isola (Fr.)	40- 70 cm	More snow needed.

European reports from Ski Club of Great Britain representatives.

THE U.S.

Sugarbush (Vt.)	8-40 ins	Packed powder. 45 runs open.
Stowe (Vt.)	8-34 ins	Packed powder. 29 runs open.
Hunter (NY)	10-80 ins	Man made snow. 25 runs open.
Park City (Utah)	8-48 ins	Packed powder. All runs open.
Aspen (Col.)	14-55 ins	Packed powder. Most runs open.
Squaw Valley (Calif.)	36-72 ins	Packed powder. All runs open.

Figures indicate basic snow depths at top and bottom stations.

SCOTLAND

Cairngorm:	Few main runs complete. Hard packed snow.
Glenshee:	Most main runs complete. Hard packed snow.
Glencoe:	Most main runs complete. Powder on hard base.
Lecht:	All main runs complete. New snow, icy patches.

PUBLIC NOTICES

BOROUGH OF BOURNEMOUTH
£5,000,000 Variable Rate Stock 1983
(Issued 6th September, 1978)
The interest payment due on 7th September 1981 in respect of the period 7th March 1981 to 6th September 1981 will be £6.6563 per cent (less income tax) being at the rate of £13.3125 per cent per annum (determined in accordance with the terms of issue as being a margin of 1 per cent per annum above the average of the rates indicated by the Reference Banks to Midland Bank Limited).
6th March, 1981.

NORTHAMPTON CORPORATION BILLS
£940,000 Bills issued 4th March 1981 at 11¹¹⁄₃₂%, to mature 3rd June 1981. Applications £8,950,000. None outstanding.

BOOKS 1

Crossman now

BY MALCOLM RUTHERFORD

The Backbench Diaries of Richard Crossman edited by Janet Morgan. Hamish Hamilton and Jonathan Cape £15.00, 1,136 pages

The publication of the late Richard Crossman's *Backbench Diaries* covering the period 1951-63 could hardly have been better timed. Anyone who wants to know why Dr. David Owen and his colleagues have resigned from the Labour Party could do no better than dip into this book. It is a story of fratricide throughout.

Here, for example, is Crossman's description of the Party's reaction to the Tory Government's decision to manufacture the H-bomb, announced in February, 1955: "At the Party meeting on Thursday evening I found an atmosphere of division, disunity, hatred and all uncharitableness which I have rarely known." As a matter of fact, he exaggerates: most of the Party meetings he attended seem to have had similar characteristics. There was the occasional feeling that the various wings in the Party ought to get together, but the unity was never more than skin-deep.

In one way, the Diaries have been overtaken by events. Crossman's implicit starting point is that Attlee—the Prime Minister who presided over the *reforms of the early post-war period*—is awful. The most charitable reference to him is "the little man." By now, Attlee has made a comeback. Along with that of Keir Hardie, his is about the only name that can be mentioned at Party Conferences if you want to show that you are in favour of Party unity.

But the message is very clear: Labour turns on its own most recent leaders for being insufficiently left-wing and the almost incessant drive to the left comes from the activists in the constituencies. The Parliamentary Party has proved increasingly powerless to stand up, especially since some of the trade union leaders have gone left as well.

Crossman has no particular comment on this: he merely documents it. In any case, the process had not gone nearly so far in the 1950s as it has in the last few years. But he shows beyond doubt that the beginnings of the breakaway were *already there. "The left would* never make the break itself because it had nowhere else to *go. Aneurin Bevan, Cross*man's early hero, is quoted as saying that he would never form a third party. That put the onus on the right, which part of it has now taken up.

So much for the immediate contemporary relevance. *The Backbench Diaries* have other delights. Crossman was an intellectual and keeps telling you so, though you would not always guess it from his observations. One of his more endearing traits was that he was nearly always wrong. He was also astonishingly naive. *It never occurred to him until* somebody told him that the Labour right, like the *Bevanites, also operated in* conspiratorial groups, nor that the Tories, like the Labour Party, had their own internal divisions. The Diaries show him as being quite incapable of standing back and taking a detached view.

He could note a fact of some significance, then utterly fail to analyse it. For instance, he recorded after the general election in 1955, in which the Tories increased their majority, that the Labour Party is "ideologically disintegrated by the fact that Keynesian welfare capitalism *is proving, for the* time being, quite an adequate substitute for Socialism." There is no attempt to draw any further conclusions, such as the electorate might prefer welfare capitalism or that the Labour Party might adapt to it.

His comments on the general election of 1959 are even more remarkable. Shortly before it took place, he wrote that the Tory fortunes were falling and that "*this will be confirmed in* this week's local elections." The local elections took place the next day and in the municipal boroughs of England and Wales the Tories made a net gain of 181 seats. In the general election the Tories won a majority of over 100 seats, not far short of double that of 1955. Crossman reflected in his Diaries that Labour had come "quite near to winning."

Yet in the odd sentence he is close to getting it right. Working class wives, he noted, must have gone to the polls against their husbands' wishes and voted Tory. Labour may also have failed to get some of the working class young. Again, he suggests that the Labour pledge to renationalise the steel industry "very nearly cost James Callaghan his seat."

Some Labour MPs realised what was happening at the time. Crossman records that Hugh Gaitskell told him that "we couldn't afford to lose the next election again. Then there would really be a growth of a Liberal Party and a split." Christopher Mayhew, then a Labour MP, subsequently a Liberal and now a Social Democrat, told a Party meeting that the Party's image was that of the working class, the underdog and of nationalisation. "This," *Mayhew went on, "was an* image that would get us an ever declining number of votes. We must dissociate the Labour Party from this narrow class connection." Roy Jenkins wanted to drop nationalisation altogether.

Crossman was impressed by the level of the debate, but on the whole couldn't see the point of it. It took the Labour Party another 20 years—until the result of the general election of 1979—to realise that it was not quite as popular with the working class as it had supposed, and even then the realisation was only partial.

The oddest fact of all is Crossman's apparent unawareness of any relationship between what is happening to the economy and how people vote. A few weeks before the 1955 election "Rab" Butler introduced a giveaway budget, cutting the standard rate of income tax by sixpence in the pound. Crossman never even mentioned it in the Diaries: it is left to the editor, Dr. Janet Morgan, to refer to it in her explanatory notes.

Yet there is another contradiction even here. Crossman *was* interested in economics. He wanted the *New Statesman*, for which he wrote for many years and subsequently edited, to become an *Economist* of the left. It was the connection between politics and economics that he utterly failed to see, and also the libertarian point

Christopher Mayhew: liabilities of the underdog image, a revealing moment in the Diaries reviewed today

that people might like freedom of choice.

At times he could be perceptive. He flew back to London from Canada in September 1956 to note a sense of decline, "of an old country always teetering on the edge of a crisis, trying to keep up appearances, with no confident vision of the future." But there is *no* follow-up. In the end, it is back to the politics of intrigue of the Labour Party and back to his own self-indulgence.

He was frequently attacked for being a Wykehamist, an intellectual and a journalist, none of which is anything to be ashamed of. But one wonders if he had any idea of the sensitivities of his own Party when he went along to the Sunday Pictorial to ask if he could have some money "*as usual* for his summer holiday, even though it was a honeymoon." (My italics.) *Most Labour MPs* do not have that sort of access. Crossman was oblivious of criticism on this score.

Denis Healey, written off—according to Crossman—by the Mirror group as being unable to write, has remarked that history is second-rate journalism. Crossman was a first-rate journalist. In his Diaries he introduced a new form between journalism and history. But the trouble with diaries is *that they tend to reveal more* about the author than about events. What the Crossman Diaries *reveal is that he* was nearly always entertainingly, usually engagingly and sometimes brilliantly wrong. By now the 1950s are history. They are beginning to need detached, historical treatment.

Henry James looks after his ailing sister

BY PETER QUENNELL

Henry James's Letters: Volume Three edited by Leon Edel. Macmillan, £17.50, 579 pages

Alice James, a biography by Jean Strouse. Jonathan Cape, £9.95, 367 pages

To the admirable edition of Henry James's letters, with which he followed up his five-fold biography, Professor Leon Edel has added a new volume; a handsome, solid, well-illustrated book that extends from 1883 to 1895, and covers a particularly interesting period of the Master's life. In 1883 he was forty years old, sure of his creative talents and determined to enlarge their range; and, having already, in 1881, published *The Portrait of a Lady*, the novel that he himself considered "the most proportioned" of his works, next to *The Ambassadors* (which would not appear until 1903, and had, he believed, "no doubt a superior roundness.") he wrote *The Bostonians*, one of his earlier masterpieces, and a triumph of psychological analysis, *The Princess Casamassima*, *The Tragic Muse* and such splendid short novels or long short-stories as *The Aspern Papers* and *The Pupil*, an exquisitely developed and deeply moving tale.

Meanwhile, his personal career was full of incident. Now that he had explored the fashionable London world and recognised, he thought, its nullity, *he felt more and more disposed* to cultivate his literary friends. But he continued at times to visit great houses, Mentmore among them, "always a peculiar experience, half pleasant and *half insupportable, into which it* would take too long to enter." Towards foreign literature and French men of letters he felt increasingly attracted; and the death of Turgenev—"a pure, beautiful, delightful mind," on whom he had modelled his own literary method—induced him to return to Paris, where he frequented Daudet, Zola, the aged Edmond de Goncourt, first met with his beloved crony Flaubert, and his professed "disciple" Paul Bourget.

At home again, he acted as host and guide to a series of Gallic notabilities, including Guy de Maupassant and Proust's future patron and victim, the homosexual dandy Robert de Montesquiou. The latter, he entertained at the Reform Club to meet Whistler, and carried off to see the Burne-Joneses and "all the Rosettis" whom he could collect. His letters of invitation show that he both wrote and spoke French capably.

Nor did he neglect his American circle. Alice, his only sister, who, like so many nineteenth-century women, retreated from the problems of adult life to her sofa or her bed, had elected to join him in England and, for the last eight years of her existence, caused him endless trouble and anxiety. But James's fraternal sympathy seldom flagged, and he remained to the end her patient guardian.

At the same time, another feminine neurotic, the clever, restless, unhappy Constance Fenimore Woolson, a middle-aged spinster, with an educated taste and literary pretensions, demanded his sympathetic care. He liked her and enjoyed her company, but was apt to pay her semi-serious court, which she evidently misinterpreted; and Professor Edel suspects that their relationship may have inspired the tragic climax of *The Aspern Papers*, and that her lonely death, when she committed suicide by leaping from a Venetian window, left him with a certain sense of guilt.

*Henry James's fine descrip*tive skill and keen imaginative insight made him an accomplished letter-writer. *He wrote* lengthily, gaily, affectionately; and even his letters to his publisher, requesting a further advance or lamenting poor sales, are by no means trite or tedious.

A dedicated artist, he is endlessly acute and observant; and bright scintillae of literary or personal criticism often sparkle through his text. Thus, of Matthew Arnold he remarks, to a friend:

"*I am very sorry that you* didn't like poor dear old Mat. I like him—love him rather—as I do my old portfolio, my old shoe-horn; with an affec-

Alice James: nervous exhaustion

tion that is proof against anything he may do or say today, and proof also against taking him too seriously."

And later on the same page:

"Yes, I have read Trollope's autobiography and regard it as one of the most curious and *amazing books in all literature, for its density, blockish*ness and general thickness and *soddenness*."

Hardy, too, receives fairly abrasive handling. He loathed *Tess of the D'Urbervilles*, he tells Stevenson, "dear distant Louis," an especially cherished correspondent . . .

"Oh yes, dear Louis, she is vile. The pretence of 'sexuality' is only equalled by the absence of it, and the abomination of the language by the author's reputation for style."

But the Grand Old Men of the period also interest and amuse him:

. . . Poor George Meredith . . . lives in a green corner, all turf and old black yews . . . grossly derided by the many and adored by the few. I don't adore him, but I scoff still less, for he is brilliantly intelligent and the wreck of a prodigious wit. He is much the wittiest Englishman . . . His main fault *is that he thinks he is French*, which he isn't.

And elsewhere, he describes Gladstone and the statesman's majestic conversational flow, while his fellow guest discourses on book-binding, the new version of the Scriptures, and "the vulgarity of the son of a Tory Duke having talked about 'pooh-poohing' something or other in the House of Commons: a vile new verb, unworthy of that high assembly." At the *same time, he follows the pro*gress of the young, and expresses a somewhat guarded *admiration* for "that little black demon of a Kipling," and records how, the newcomer having seen fit to marry the sister of his lost friend, the attractive American publisher Wolcott Balestier, he had consented to give away the bride—"a queer office for me to perform . . . and an odd little marriage."

Every collection of letters is, to some extent, a self-portrait; and the portrait presented here *depicts a man who had decided*, early in life, that "one must go one's way and know what one's *about and have a general plan* and a private religion." James's private religion was, of course, his art, which, despite the exhausting service it required, brought him all the consolation he could need, even for the lack of human love. He understood and appreciated, but did not desire women. "He seemed to look at women (recollected a shrewd acquaintance) rather as women look at them. Women look at women as persons—the quality of sex," for James was not their chief attraction.

Nevertheless, these excellent letters suggest, during his industrious middle age he was, on the whole, a happy man, warm-hearted, open-minded and blessed with a sanguine nature. His optimism only failed when the four years he had devoted to the theatre, from 1891 to 1895, ended in complete catastrophe; and his romantic drama *Guy Domville* was almost hooted off the stage.

By a lucky coincidence Jean Strouse's biography of Alice James and Professor Edel's third *volume of James's letters* are appearing side by side. I doubt whether the novelist's unhappy sibling really deserved a book of 367 pages. A spectral character, she passed her adult existence in a long succession of agonising nervous crises, which she was never tired of analysing and remembering. But the biography is *well-written, and gives a painfully vivid pic*ture of an ill-starred personality. James himself, like his father, the erudite Swedenborgian, and his brother, the famous psychologist William, at least until he discovered his own creative powers, had sometimes skirted a black abyss of gloom. "There but for the grace of God goes Henry James" he may perhaps have reflected now and then as he watched over his dying sister's bed.

Fiction

Girl asks who she is

BY ROBERT COTTRELL

Other People: A Mystery Story by Martin Amis. Jonathan Cape, £5.95. 223 pages

Unusually for Martin Amis, his new novel is really rather heavy going. The territory is familiar enough — neurotic people, seedy city backdrop—but the style of *Other People* further develops the deliberately confusing subjectivity which was central to its predecessor, *Success*.

Like *Success*, it deals with questions of identity. Its central character, "Mary Lamb"—an assumed name—wakes up in hospital without a memory. She *drifts from a group of friendly* tramps to the house of an alcoholic couple and their homosexual son, on to a hostel, a squat, a household of rich degenerates, the company of a friendly policeman, and finally through a shadowy death-ritual she re-emerges as Amy Hyde, the teenage girl whom she apparently was before the whole business began.

In the course of her travels she builds up her perceptive faculties from simple taxonomy to a vaguely functional worldview, and comes across fragmented clues to her past life.

Two sets of eyes watch over her development. The sympathetic policeman, Prince, intervenes to help her along and demonstrate in a sinister way that he knows something of her past life, which he suggests ended when she was the victim of a sex-killing. It is Prince who leads her to her second death. The second overseer is the characteristic Amis device of the intrusive narrator, not quite a character nor quite the author.

The movement of *Success* was towards resolution of two conflicting narrative voices by the revelation that the dominant one was fantastic—a resolution which made that which had been mysterious eventually *clear and purposeful*.

Other People advertises itself as a mystery story, and remains so to the end. The incidents of its plot are grasped readily enough, but around those lights swirls a thickening gloom. Who is Mary? Is she dead, or alive? *What* is Prince? The veil is not lifted, we are not rescued back into the singular world of the plot, but forced outwards into metaphysical questions about where people come from, go to, how one comes to understand the world, who watches and who guides.

Which is all very well, except that such questions are not only the most significant, but also the most platitudinous, to address. Anybody can ask them. The skill lies in making them interesting.

And in *Other People*, too much is hanging by too thin a thread. Amis has imposed upon his book the daunting limitation of a central character who is an authorial conceit and can only be given the faintest spark of interest by confusing her voice with that of the author. The peripheral characters are the usual oddball collection, but not enough to fill the void left by "Mary." There is only the ghost of the verbal felicity which made *Success* such an entertainment. The intrusive narrator concludes the book by saying how fed up he is with the whole story, and there he may well be in accord with his authorial alter ego.

BOOKS 2

Time again

BY ANTHONY CURTIS

Remembrance of Things Past
by Marcel Proust, translated by C. K. Scott Moncrieff and Terence Kilmartin. Chatto and Windus. Three volumes, each volume more than 1,000 pages. The set (boxed) £50.00.

Anyone reading this new translation of *A la recherche du temps perdu* after long familiarity with the Scott Moncrieff version, which has held the stage for 50 years, is unlikely to experience the disconcerting shock of meeting an old friend who has changed his appearance beyond recognition. Much of Scott Moncrieff and Scott Moncrieff with Kilmartin is identical. Mr. Kilmartin has "re-worked" the earlier version. He has not started completely from scratch. A word is changed here, a phrase there, a line of dialogue is made to sound less jarring, the order of words is inverted in a sentence to make it sound simpler and more natural.

The result is rather like walking around some ancient building of vast proportions one has known well to find it has been renovated and repointed with perfect taste and discretion. The original structure remains as it always was, but the cleaning and chipping away of extraneous accretions have left it airier and more impressive than hitherto.

The work badly needed to be done. Scott Moncrieff had only an early and in many instances a highly imperfect text riddled with contradictions and corrections when he made his translation. Proust's heirs requested two French scholars, Pierre Clarac and André Ferré, to establish a definitive text from all the relevant material. This was executed with scrupulous care, and published in a three volume Pléiade edition in 1954. Mr. Kilmartin, already the translator of another immaculate stylist, Henry de Montherlant, has worked from their impeccable text. He has produced a comparable English version in three volumes and all English lovers of Proust will be grateful to him.

Although he has not attempted to reproduce the many notes and variants to the French edition, he has included some completely new material in the form of addenda at the end of each volume. Aficionados who wish to learn about such matters as the Princesse de Guermantes's passion for Charlus will turn eargerly to these pages. Critics and students who need to find their way around the novel for reference purposes will further bless the translator for the useful synopsis of the action which concludes each volume.

Spanish palace

BY COLIN AMERY

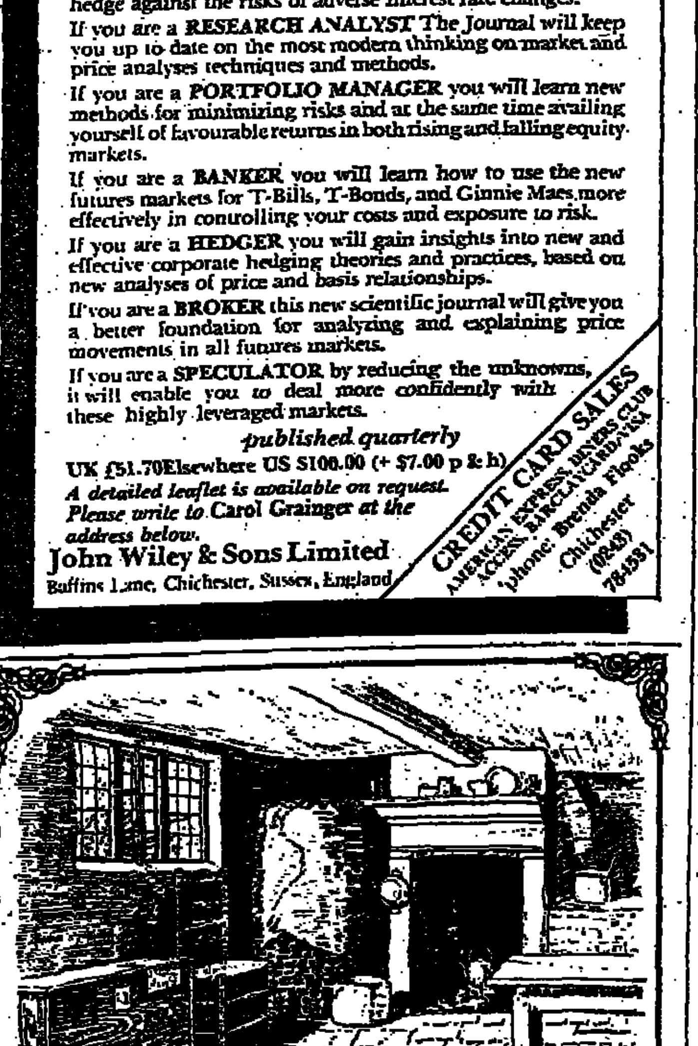
A Palace for a King: The Buen Retiro and the Court of Philip IV
by Jonathan Brown and J. H. Elliott. Yale University Press £15.00. 296 pages

The two authors of this attractive volume are both professors in American universities, between them they combine the skills of both political and art historians. Their subject is the study of both a building and a King. The palace of the Buen Retiro was built on the outskirts of Madrid in the 1630s. The King, Philip IV, ruled under the influence of his favourite minister the Count-Duke of Olivares, and the interplay of these two personalities adds drama to the story of the building of this setting for art and pleasure.

The palace was built for two purposes, as a place of retreat and recreation and as a background for the king to play his part as a patron of the arts of Spain.

The great virtue of this book is that architectural history lives in a way that is seldom achieved when buildings are written about as elements of a stylistic history or as fragments of an architect's career. The authors describe their book as an integrated history and in many ways it must be an academic landmark, seldom have so many scholars so generously added their knowledge to help make the picture of a building complete.

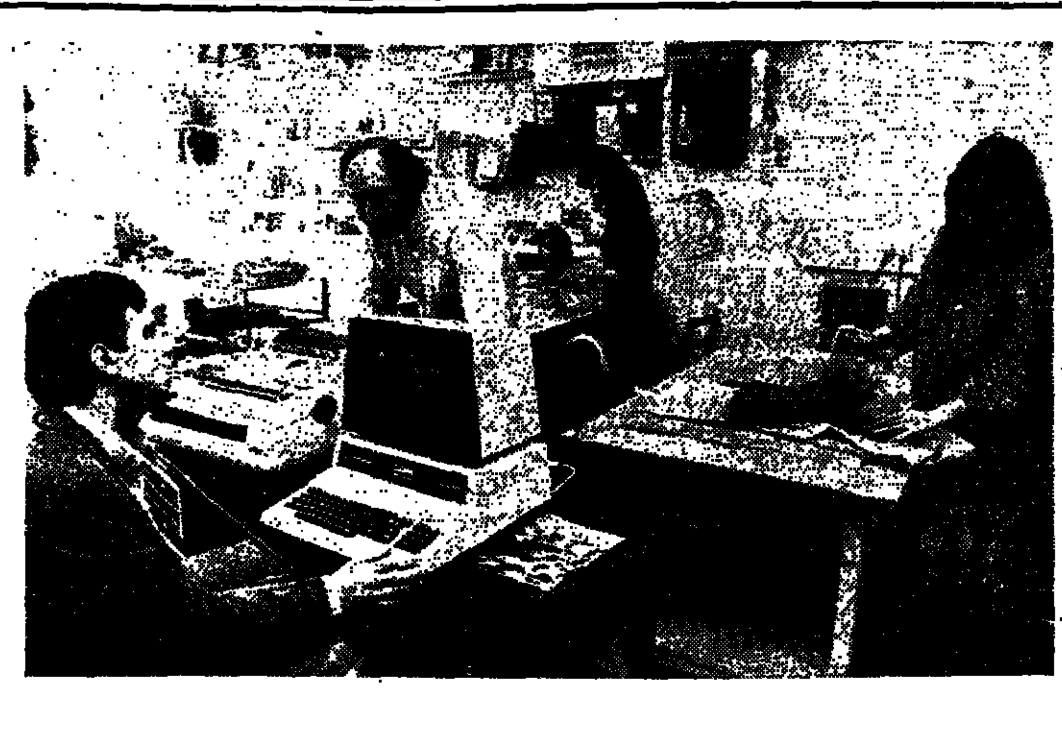
The palace no longer exists, although the gardens are now a welcome breathing space in Madrid, and it is the pleasure of witnessing the scholarly reconstruction of past glories that gives the book a particular fascination. It is the respectable face of absolution that is represented at the Buen Retiro and the detailed descriptions of the artistic patronage of a hard pressed dynasty cannot fail to impress.



HOW TO SPEND IT

by Lucia van der Post

Hire a hobby



UP IN North London, just a short distance from Tally-Ho corner, is a unique enterprise called Rent-A-Workshop. Devised, put together and run by Ken Butler, a business consultant, it is based on the idea that as more and more of us develop an interest in crafts and more complicated hobbies, the space or the resources to pursue the said hobbies will be hard to come by.

Take for instance the keen potter or the fledgling photographer—setting up a kiln or a darkroom in one's house is not only space-consuming but very expensive and rather risky in view of the life-span of some enthusiams. Rent-A-Workshop offers the chance to rent or hire the relevant facilities.

There is a strong emphasis on the traditional crafts—like pottery, jewellery making and photography, but there is also a wide range of sophisticated micro-computer equipment which can be rented by the hour.

Word processing data processing, accounting processes and stock control projects can all be done by the hour in the Computer Centre. Sand-blasting has so far proved to be one of the most popular activities. In the dark room the budding photographer can learn how to enlarge and print—a five-minute demonstration is all even the amateur seems to need before he's capable of understanding how to use it.

From the outside Rent-A-Workshop looks just like any arts/crafts shop and it is, indeed a shop as well, selling the materials and accessories for a wide range of activities from candlemaking, canework and marquetry to jewellery making and macrame work. However, it is the access to the workshop space that really makes it unique.

Charges are by the hour and vary considerably from £6 per hour for the dark room, to 12p a minute for the Prestel machine and £6.50 an hour for the Computer Centre. There is tuition for some of the crafts.

It is open from 9 am to 5.30 pm six days a week (what a pity it isn't open in the evenings) and time in the workshop should be booked in advance. Rent-A-Workshop is at 864 High Road, North Finchley, London N12 9RH (Tel.: 01-445 0033).

Perfume bottle by Lalique

THERE can hardly be a more famous name in the world of glass than Lalique. Though Rene Lalique was originally famous as a jeweller he later became even more renowned for his unique approach to glass and his famous perfume bottles for Coty changed the presentation of French perfume for ever. Though many of us associate the name with the distinctive Art Nouveau designs we have seen in museums and books throughout the world, not everybody knows that under Marc Lalique, and now Rene's grandchild, Marie Claude Lalique the factory is still flourishing, still producing its own distinctive designs. Though some Lalique designs have been available from a range of glass and china departments in this country, it was only at the beginning of the year that Lalique opened its own shop at 24 Mount Street, London, W1, where for the first time the complete collection of Lalique crystal can be seen. Photographed, left, is a modern perfume bottle (£68.80) but for those who prefer their glass more utilitarian than decorative there is a singularly beautiful collection of glasses of all sorts.

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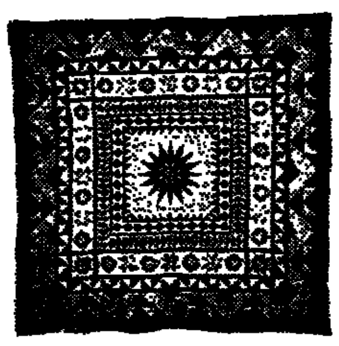
Anybody who, like Pooh, has a weakness for honey might like to know about The Garvin Honey Company of 158 Twickenham Road, Isleworth, Middlesex TW7 7DL. Garvin's not only sells a wide range of honeys, from such exotica as Guatemala and Mexican Yucatan to New Zealand white clover and Hungarian acacia, but it will also sell in bulk by mail. For real honey freaks there are 56 lb tubs of honey, or there are 28 lb and 14 lb tubs. Prices vary from £7.43 for a 14 lb tub of Mexican bakers' honey to the top price of £11.76 for 14 lb of the Hungarian acacia. There are 10 different sorts of honeys and those who wish to sample before committing themselves to huge drums of the stuff can buy little baby tubs at 60p for three. You can order from Garvin's by telephone using a credit card (in which case telephone 01-560 7171) but for a sheet listing all the honeys and their prices write to Garvin's at the address above.



Patchwork by Denise Orange

All those interested in quilting should make a point of visiting Seven Dials Gallery at 52 Earlham Street, Covent Garden, London WC2 9LA sometime between March 17 and April 1. This will be the first time that members of the public will be able to see a wide selection of current patchwork and quilted articles made by members of the Quilters' Guild. Though the patchwork photographed here, Denise Orange's Star Trek, is very obviously linked to the traditional patchwork patterns most of us already know, the exhibition will also feature many other very modern and quite different pieces.

The Quilters' Guild was founded by a group of people who were interested in quilt-making and 16 months later its membership stands at well over 800. Through it members learn a great deal more about their craft and meet others with similar interests.

Patchwork, as everybody knows, is dependent upon the recycling of textiles and all the quilters seem to use the fabric in a very personal way—some working with a sense of humour, some with great precision, others in the old traditions already laid down. If you're at all interested in how the craft is developing do go along to the exhibition. There is an illustrated catalogue and admission is 50p or 25p for students and senior citizens.

Barratt's Studio Solo—a corner of the living area

NEXT week sees the start of the Daily Mail Ideal Home Show at Olympia in Kensington, London, and though energy is one of the main themes I find Barratt's new approach to housing for those who live alone one of the most interesting projects on show. Barratt has concluded that the four million people in Britain who live alone (a figure apparently growing at 120,000 a year) deserve a better deal and what they offer is a Studio Solo "house." The price is extremely competitive, starting at about £11,950 (final cost depends upon the cost of the land it is built on), but provides a fully furnished, fitted and decorated home. This means the single person can buy the complete package, including washing machine, tumble dryer, cooker, fridge, kitchen furniture, carpets, shower and more, on a mortgage and can move in on day one. It's beautifully thought out and seems to answer a real need.

Sausages - roll your own

BY JULIE HAMILTON

I WANT to start a craze. I want everyone to share with me the creative fun of making strings of succulent sausages.

I have long wanted to do it but I lacked the courage, partly because the books I had to hand did not spell out the method in detail. But a New Year's present of *The Country Kitchen* by Jocasta Innes, who describes so clearly what to do, set me off.

The simple part is making the sausage meat, with the creative addition of herbs, spices, garlic and wine to give your sausages their unique flavour. You do not have to follow recipes exactly. You may or may not choose to add breadcrumbs. You can alter the fat/lean ratio of the meat. In fact you can try almost any combination of meats you fancy.

The basic recipe is pork belly or, for a leaner sausage, 4 lb pork belly to 2 lb hand or shoulder (lean), up to 1 lb breadcrumbs (optional), spices, including nutmeg, cloves, cinnamon, salt and pepper all pounded together, and herbs like sage, thyme, or parsley.

The meat is minced and all the ingredients are combined ready to stuff into the skins, known in the trade as casings. First, a word about the skins.

They are the intestines of pig (or sheep, for chippolatas). These are the natural casings. Avoid the man-made ones. If your family butcher makes his own sausages he may well sell you casings. Or you can buy natural casings from Gysin and Hanson, 227-231, Rotherhithe New Road, London, SE16 (telephone 01-237 0456).

For £2.80 by mail order (including p+p) you get 25 yards of casings, enough for approximately 20 lbs of sausages, in an airtight tub. They will keep for up to six months in a 'fridge or cold larder, and for much longer in a freezer.

Unused skins can be hung up to dry a little, rubbed in salt and returned to the tub for use another day. Skins from your butcher will probably be ready for immediate use but skins from Gysin and Hanson should be washed to remove the salt and soaked in water for about half an hour before use. Do not do as I did and leave the skins in running water (as suggested) because you will end up with a dreadful tangle that is hard to unravel. Hold the skins in your hand to wash off the salt, then soak them.

Now to get the sausage meat into the yards of thin casing. This is where all my books let me down. Most of them just said do it.

Even Jocasta Innes did not warn me of the possible hitches, like air bubbles that will not go but just move from sausage to sausage. But her book did prove to me that you can make sausages without any electrical equipment.

This is how. You need an ordinary plastic funnel and a wooden spoon, or similar object, whose handle fits snugly down the neck of the funnel. Soak the casings in water then thread them carefully on to the neck of the funnel (I would advise using about one yard to begin with) so that they are ruched up together but not overlapping themselves. Leave a couple of inches or so loose at the end and do not knot it as suggested in so many books and recipes because it will then be almost impossible to get rid of the air.

Fill the funnel with the meat (it will help if you sprinkle water in the funnel and over the meat from time to time) then, controlling the casing with your left forefinger and thumb (if you are right-handed) push the meat down the neck of the funnel with the handle of the wooden spoon which is in your right hand.

This is where you could do with a third hand. As the meat goes into the skin, pinch the loose end and fill up the first section. Continue pushing the meat into the skin and easing the casing off the funnel, shaping the sausage as you go. Do not overfill so that the skin is tightly stretched or you will then have problems when twisting the sausages into shape (which I find is easier done when the whole has been filled) not to mention the danger of splitting when cooking.

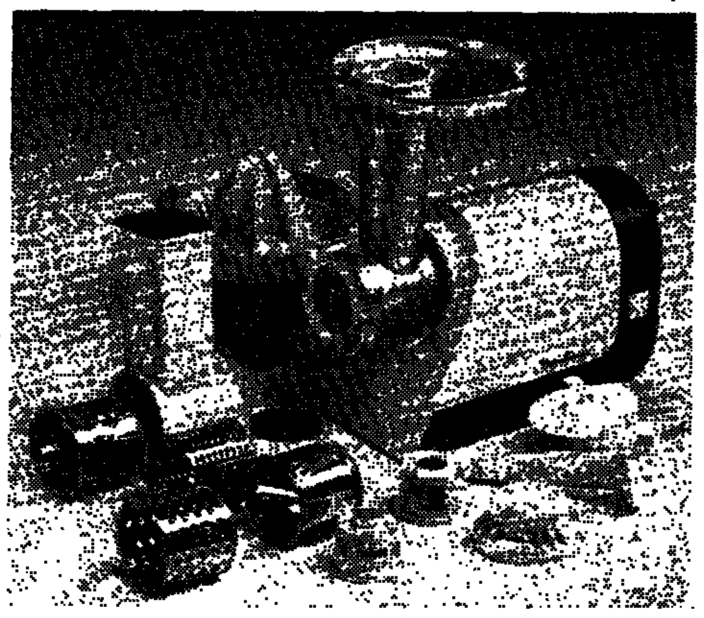
It is best to make three or four strings of sausages and link them together by plaiting which is fairly easy if you do it while the sausages are lying on a flat surface. The easiest way is to make two long strings, fold them in half and then form a plait. You can tie the top end with string if that makes it simpler

So successful were my home-made sausages that I found myself making them weekly, but the funnel method, although satisfactory, is very time-consuming. So I made inquiries about domestic sausage-making machines.

If you have an electric mixer, such as a Kenwood, with a mincing attachment, you can get a sausage filler to use with it. I did not have such a gadget (only a hand mincer) but to my delight I found that Moulinex makes an electric mincer that has a sausage attachment (as well as all sorts of other items) and what a joy it is. I can readily recommend the Moulinex Charlotte 3, which now enables me to make sausages in a quarter of the time. It costs about £31.95.

When you cook your sausages never prick them. If they tend to split, which they should not, immerse them in hot water for a second or two before cooking.

Sausages can be made almost purely of meat, but for those who like a spicier variety, here are two recipes.



Moulinex Charlotte 3 can be bought with a sausage making attachment

Julie's special pork sausages

2 lb belly of pork, boned and rinded; 1 lb lean pork (hand or shoulder); 1 handful of fresh sage, thyme and marjoram; 3 dessertspoons coriander seed; 1 teaspoon Jamaican peppercorns (they contain pimento and have a very special flavour. Supplied by Barts Spices); 1½ scant tablespoons salt; 8 cloves; 4 oz wholemeal breadcrumbs, including crusts (rolls will do); 1 large clove garlic (optional)

Pound all the herbs and spices together and mix with the breadcrumbs. Mince the pork either finely or coarsely according to taste (I have tried both and prefer it coarse). With your hands thoroughly mix together the meat and spiced breadcrumbs. Fill the skins. These sausages will keep in a 'fridge for a maximum of up to four days and they freeze well. But to taste them at their best they should be hung in an airy place overnight before eating or refrigerating.

Anglo-Hungarian style sausages

2 lbs belly of pork, boned and rinded; 1 lb shin beef; 3 large cloves garlic; 1 handful fresh basil or 1 dessertspoon dried; 1 heaped tablespoon sweet paprika powder; 2 teaspoons Jamaican peppercorns; scant teaspoon cumin seed; ½ pint red wine; 1½ tablespoons salt.

Pound all the herbs and spices, including the garlic, finely together with the salt and paprika and add them to the wine. Bring to the boil and then let it cool. Mince the beef finely with the meatiest bits of pork. Mince the fatty pork coarsely. Combine all the ingredients together and stuff the skins.

These sausages are at their best after hanging for several days. Hang them for up to a week in a warm, airy place to help them dry out, then transfer to a cool, airy place. As they dry out they become knobbly and stronger in taste. The longer they have hung the longer you will need to cook them. These sausages should not be put in the 'fridge or the freezer. Added to a bean casserole or Hungarian letcho (equal portions of onion, peppers, tomatoes stewed together) they make a marvellous meal. You can slice them or cook them whole. Slice them thinly and put on top of a pizza; add them to the tomato sauce made for spaghetti — or just fry them as they are.

ARTS

The Common Touch

BY B. A. YOUNG

To find a play that will hold for 50 minutes a radio audience with artistic levels rooted in pop, and social consciousness founded on the leading articles in the Daily Mirror is no light task. Yet that is more or less what Capital Radio sets itself to do in Capital Playhouse.

The scene has to be familiar to the listeners. It must have something to do with the popular music that has become the universal language. But more than this, there should be a theme of an improving nature. Given these requirements I doubt if many people would guess that the subject of last Sunday's play would have been a homosexual romance in a gay disco in Clapham.

I can't say that *The Only One South of the River*, by Drew Griffiths, was a terribly good play. It seemed to me to be consciously simplified, and to contain too many small climaxes that didn't actually help the plot on its way, but only make sure that whoever is listening won't stop listening.

John, apparently a drag entertainer, though we only hear him as a perfectly straight MC, persuades the landlord of a Clapham pub to let him use the "functions room" as a disco twice a week. Len, the landlord, is dubious; Eileen, his wife, approves of John and his friend Peter, and wheedles agreement out of him. The disco is an instant success. Mr. Griffiths gives us an occasional taste of the customers' conversation, nicely observed, not overdone.

Eileen is so delighted by all the high spirits, and the business it brings in, that with almost unbelievable naivety she suggests that they should have a party at the disco for the 18th birthday of her son Terry, who is as square as a brick, but given to the kind of horseplay with his mate Al that might give a wrong impression. This isn't for the usual crowd, only for Terry's mates, but it soon gets out of hand, for Al's idea of a coming-of-age present for Terry is to pull all his clothes off and set him on to his ex-girl friend Pauline, who not unnaturally sets up a yell. Len comes up from the bar and clears the joint; and he stops the whole undertaking on the ground that John is a "bent bastard and a dirty queer."

... Then Terry, coming down in tears from his room, confesses to his mum that he has told his dad a lie. To keep Al out of trouble, he said it was John who pulled his pants down. A general feeling of forgiveness steals across the scene; but Mr. Griffiths is too discreet to tell us whether Len is going to let the gay disco start up again.

The atmosphere in this play was wholly on the side of the gay boys, decent hard-working chaps with emotions that are, *mutatis mutandis*, just like anyone else's. The narrative was perfectly frank about who loves who, and yet there was nothing in it that even Mrs. Whitehouse could have taken offence at.

Capital couldn't give a guess at the listening figures when I asked them, but it seems likely that the less intellectual half of their audience would have been skimmed off by then. If you had tuned in a few minutes early for the play, you would have come in on the end of Robin Ray's music programme, when they were playing a fine digital recording by Solti and the th Chicago Symphony Orchestra of Mussorgsky's *Pictures from an Exhibition*. The commercials were advertising tickets for classical concerts and plays.

On Radio London, adjacent on the dial of my set, I didn't catch anything nearer to an intellectual spot that day than a long interview with Brian Eno, but I admit I was only playing catch-as-catch-can over the frequencies. Mr. Eno apparently attributes his success to his lack of real talent in music. I wish I could have enjoyed his sounds as much as I liked hearing him talk about that. And frankly, this *was* a high-brow programme compared with what I mostly hear on my local radio in the country (no names, no pack-drill), where when they aren't playing the top ten they're conducting a market in second-hand goods.

Yet there's bags of promising stuff around. Programmes made by individual stations are available to the whole IBA network. LBC is doing a series on Sherlock Holmes. Two Counties deal with Gilbert White of Selborne. Mercia and BRMB have combined in an hour-long programme about Sir Thomas Beecham. Trent has a programme about comedy from the Goons to *Not the Nine O'Clock News*. What we need now is a kind of nation-wide Radio Times to ensure we know where such pleasures can be heard.

Drawings from Outer Space

BY WILLIAM PACKER

Drawing and painting are related but distinct activities, and it is not at all uncommon for an artist to find himself torn in interest and practice between the two. It does not always turn out that the drawing is the necessary preparation and natural complement to the painting that we should expect, but is rather a conflicting interest, distracting the artist into areas and enquiries that he might not think, perhaps not dare, to treat more seriously or definitively. For it is in the nature of the business, like it or not, that painting as such should seem to be the more serious and weighty, and so claim the precedence, that somehow paint and canvas, certainly more expensive, should seem inherently to be more important than pencil and paper.

So it is that inhibition sets in, and the unselfconcious development and turn-over of ideas slow down, to leave the Real Work set in its ways, the more personal study and invention secret and shut away in the plan-chest. But, nothing is certain, no pattern permanent, least of all with artists; and lines which were once far apart do sometimes reconverge, to the artist's own excitement, and perhaps our advantage.

Michael Buhler's large imaginary landscapes—hard-edged, abstracted, futuristic, full of strange isometric structures and perspectives, as they might be secret refineries or missile sites, have been shown regularly at the Academy, among other places, and are most elegant and accomplished things: but they were brought to their present pitch some years ago, and it is hard to see how they might be taken any further. But his drawings have been rather different for some considerable time, working not from that same formalised vision, but from his deep and unrepentent personal obsession with extra terrestrial visitation, unidentified lights in the sky, and all related phenomena, in all their circumstantial detail. Cars are sucked into the air by inexplicable forces; huge balls of light glow among the trees; the poor earthman stands aghast and helpless. These drawings are as beautiful as they are sophisticated, full of wit, carried through in a curiously haunted and suggestive stylised naturalism, and quite self-sufficient.

A selection of them are now to be seen at the MacLean Gallery, off Hanover Square (until March 20); but recently Buhler has taken to making paintings that treat on this same subject material, and these he is showing for the very first time. It is a very new departure for him, still in its earliest period, though in some senses, in touch, and handling and colour, it marks a kind of return, by an extended orbit, to the spirit of his earliest work; and whereas in the drawings the technical balance between image and medium is fully achieved, a certain awkwardness remains evident in the paintings. But the signs are, particularly in the larger works, that these problems will soon be resolved.

Michael Buhler: Encounter at Livingston, West Lothian, Scotland

And to the other side of Bond Street, at the Rowan Gallery in Bruton Place (until March 19), another painter shows that he too has made a significant and enthusiastic advance in his recent work, though in his case not so clear a change of direction. John Edwards is one of the most forceful and prolific of our abstract expressionists, but simply through the time and effort and material he invests in his larger paintings, the natural evolution of the work has been slower than it might have been. Perhaps unwittingly, he has found himself stuck with certain themes and motifs, formal devices and emblems, over an extended period.

A recent working visit to New York seems however to have broken the pattern, and that release and burst of activity has taken him further in a couple of months than in two years of conscientious labour in the studio. He has produced a mass of small paintings on paper only a dozen or so of which are actually shown: and a most impressive body of work it must be. Edwards clearly has moved away from dependence upon the cruciform compositional devices that have dominated his recent work, and had grown increasingly rigid. He has returned instead to a more open, generalised surface, and a deeper, more suggestive space, in which loose and ambiguous elements operate. It will be most interesting to see what larger paintings come next.

The Little Foxes

BY B. A. YOUNG

The scene is a house in the cotton-growing South at the turn of the century. Oscar and Ben Hubbard are plotting to cheat their invalid brother-in-law Horace of his share in the profits of the new mill that will make a fortune for them all. Their scheme involves getting Oscar's no-good son Leo to steal $88,000-worth of bonds from Horace's safety deposit box at the bank where Leo works: Horace's ambitious wife Regina deliberately refrains from giving Horace his medicine when he suffers a potentially fatal attack; but Horace is no fool and, having discovered the plot, he has re-drawn his will so that all his money will go to his 17-year-old daughter Alexandra and his brothers-in-law will go to jail. The good end happily and the bad end unhappily, though Horace does die, on the fine long staircase that dominates Hugh Durrant's set.

There's a strong strain of melodrama in Lillian Hellman's story, and in the Nottingham Playhouse production it stays in the foreground. The two evil brothers, the beautiful lady with a heart of prussic acid, Oscar's drinking wife Birdie, Leo with his women in Mobile, the pure and loving daughter, the faithful black servant Addie—they all come from the stock-cupboard, and the subtlety that should be breathed into the characters by the players isn't quite there.

Jill Bennett, as Regina, gives an immensely enjoyable performance, especially when she walks up and down that staircase in her beautiful dresses; but though she would hit Regina's personality to a T if Regina came from Bournemouth, she isn't really an ambitious Southern lady. The rest are serviceable but unsubtle. James Cairncross as Ben is a big grey-bearded bully; Michael Tudor Barnes as Oscar is a little dark bully, and looks like a modern-dress Shylock. Trevor Jones's Leo is a supporting character from *Showboat*. I liked Peggy Phango as Addie, but this is a basic character and need be no more.

Horace, whose part keeps him mostly in a wheelchair, is a better-drawn character, and Edward Hardwicke makes him less of a stereotype than the rest of the family. I couldn't bear Alexandra, but this is Miss Hellman's responsibility, not Michele Wade's. All those basic emotions popping out through the skin, now joy, no wtears, now anger—I wouldn't want to live in a house with her. On the other hand I'd be happy enough with Birdie, as Jane Wenham shows her; the trouble is, she has nothing to do with the plot, and her moving confession of alcoholism is just a decoration. Richard Digby is the director.

The production is sponsored by the Midland Bank (but the safety deposit box was supplied by Barclays).

Alma-Tadema strikes gold

BY ANTONY THORNCROFT

A large portrait of a nude by Sir Lawrence Alma-Tadema sold at Christies' yesterday for £110,000, plus an extra 11.5 per cent in buyer's premium and VAT. Although not a record price for an Alma-Tadema—Sotheby's obtained £140,000 last year for an intricately painted Roman Coliseum scene—it is an exceptional price for a single figure painting and was well above the pre-sales estimate of £30,000-£40,000.

The high price is explicable given the history of the painting. It was executed by the artist as a lesson to his pupil John Collier who learned his art by watching Alma-Tadema paint. It remained in the Collier family until it was lost to view during the War. It was rediscovered last year by a Christies' director in the store room of the National Gallery in Oslo. He contacted the rightful owner, William Collier of Richmond, who was unaware of its existence.

Apparently it had been lost when his father Sir Lawrence Collier, British Ambassador to Norway, had been recalled at the outbreak of War. Another saleable feature was the original reaction to "A sculptor's model" when it was exhibited at the Royal Academy in 1878. The Bishop of Carlisle said "for a living artist to exhibit a life-size, life-like, almost photographic representation of a beautiful naked woman strikes my inartistic mind as somewhat, if not very, mischievous."

The entire sale of Victorian pictures did very well, with a total of £527,260 and just 6 per cent bought in. A full-size Waterhouse sketch, "Flora and the Zephyrs," which sold for 26 gns in 1926, made £55,000 yesterday, a record for the artist, and "The pyramids of Ghizeh" by Edward Lear realised £32,000. Frost and Reed, the London dealers, paid £15,000 for "Hop-picking" by the American artist George Harvey. It was another record: in 1906 the same painting was withdrawn at Christies when the bidding stopped at 8 gns.

Other high prices were the £13,000 from Spink for "The Tennis Player" by Henry La Thangue, another record; £11,000 for a Venetian scene by Edward Pritchett, and the same sum for "Midsummer Night" by Atkinson Grimshaw, and £9,500 for "God-Speed" by Edmund Blair Leighton.

The high prices bode well for Sotheby's auction of Victorian paintings on March 23, which contains some exceptional works, including a large number of Burne-Jones paintings and drawings including "The Sleeping Princess," estimated at £60,000-£80,000.

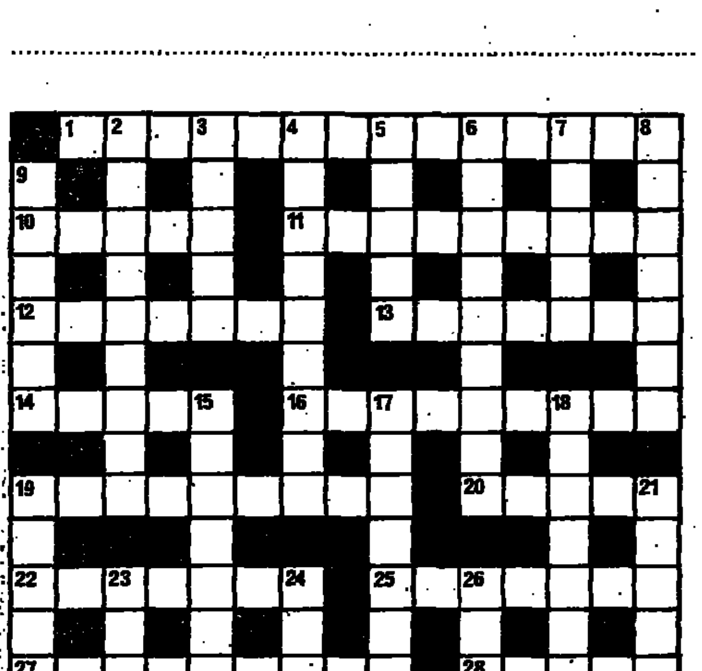
F.T. CROSSWORD PUZZLE No. 4,513

A prize of £10 will be given to each of the senders of the first three correct solutions opened. Solutions must be received by next Thursday, marked Crossword in the top left-hand corner of the envelope, and addressed to the Financial Times, 10, Cannon Street, London, EC4P 4BY. Winners and solution will be given next Saturday.

Name ....

Address ....

....



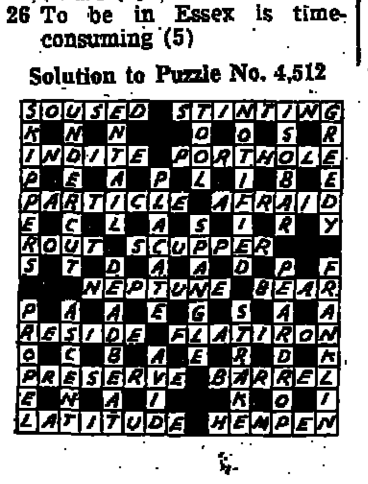
ACROSS

1 Features editor? (7, 7)
10 First capital gains tax in Berkshire (5)
11 Military punishment for those named, presumably (4-5)
12 Standard rent ordered for husband or wife (7)
13 All debts paid? Take sun and air passage (7)
14 Deserves local authority's levy (5)
16 Rotary movement's crank? (9)
19 Water-finding device converted to T. Hardy's (9)
20 Drive down from Eton? (5)
22 Fake diamonds take half an hour for a famous scientist (7)
25 Difficult to prove, the more complex it is (7)
27 It causes Pluto to appear to move (9)
28 Edition for children (5)
29 Lowers from the Grampians? (8, 6)

DOWN

2 Cat dealer, perhaps, wounded thus (9)
3 Stayed at home—that's the stuff! (5)
4 Flawed and tense (9)
5 Beats inner walking-on parts (5)
6 Fragrance apparent once elder is chopped (9)
7 Banishment from former French isle (5)
8 Like an Eastern flower, blue or white (7)
9 Private papers torn up (6)
15 Show crease-resistant qualities? (9)
17 In a stupor, Tom takes a pick-me-up (9)
18 Second reading relating to country-girl (9)
19 Unusual washing facilities in joint home fixture (3-4)
21 Mainly, one is reluctant to leave Hull (6)
23 Catapult used in "army" support system (5)
24 Gravity is kept in check as a rule (5)
26 To be in Essex is time-consuming (5)

Solution to Puzzle No. 4,512



TV/Radio

† Indicates programme in black and white

BBC 1

7.40-8.30 am Open University (Ultra high frequency only). 9.05 Swim. 9.30 Multi-coloured Swap Shop. 12.12 pm Weather.
12.15 Grandstand: Football Focus (12.20); World Figure Skating Championships (12.50); Racing from Newbury (1.20, 1.55, 2.25); Racing from Haydock (1.40, 2.10, 2.40); Rugby Union (2.55): Ireland v England and at 4.30 France v Wales; 4.40 Final Score.
5.10 Doctor Who.
5.35 News.
5.45 Sport/Regional News.
5.50 The Dukes of Hazzard.
6.35 *Jim'll Fix It.*
7.10 Nanny.
8.05 The Little and Large Show.
8.40 News and Sport.
8.55 Dallas.
9.45 Parkinson.
10.45 The Saturday film: "False Witness," starring George Kennedy.

All Regions as BBC-1, except as follows:

Cymru / Wales — 1.45-4.30 pm *Rugby Union (opt-out from "Grandstand")*: 1.45 France v Wales and at 3.45 Ireland v England. 5.45-5.50 Sports News Wales.

Scotland—4.55-5.10 pm Scoreboard (1); 5.45-5.50 Scoreboard (2); 12.25 am News and Weather for Scotland.

Northern Ireland—5.00-5.10 pm Scoreboard. 5.45-5.50 Northern Ireland News. 12.25 am News and Weather for Northern Ireland.

England—5.45-5.50 pm (South-West only) Saturday Spotlight.

BBC 2

7.40 am-3.10 pm Open University.
†3.10 Saturday Cinema (1): "Fury At Showdown," starring John Derek.
4.25 Play Away.
†4.50 Saturday Cinema (2): "Cairo Road," starring Eric Portman and Laurence Harvey.
6.20 Did You See . . . ?
6.55 News and Sport.
7.10 "The Marriage of Figaro" film of Mozart's comic opera, with The Vienna Philharmonic Orchestra (simultaneous broadcast in *conjunction with Radio 3*).
8.55 One Hundred Great Paintings.
9.05 "The Marriage of Figaro," Acts 3 and 4.
10.30 News on 2.
10.40 Arena.
11.10 *Tennis*: The Davis Cup (highlights).
11.45 The Old Grey Whistle Test.
†12.25 am The Outer Limits.

LONDON

8.35 am Sesame Street. 9.35 Chopper Squad. *10.30 Tiswas.*
12.30 pm World of Sport: 12.35 On the Ball; 1.00 International Sports Special (part 1): International Snooker Masters; 1.15 News; 1.20 The ITV Six from Hereford and Market Rasen; 2.55 International Sports Special (part 2): Darts—Arctic Lite Nations Cup; 3.50 Half-time Soccer Round-up; 4.00 International Snooker Masters; 4.50 Results Service.
5.05 Punchlines!
5.35 News.
5.40 Buck Rogers In The 25th Century.
6.35 Three-Two-One.
7.35 "Our Man Flint," starring James Coburn and Lee J. Cobb.
9.35 News.
9.50 The Big Match.
10.50 International Snooker Masters.
12.20 am The Electric Theatre Show.
12.50 Close: Personal choice with Jack Peel.

All IBA Regions as London, except at the following times:

ANGLIA

9.20 am Kum Kum. 9.45 The Lost Islands. 10.10 Rocket Robin Hood. 9.50 pm Match of the Week. 12.20 am *At the End of the Day.*

ATV

9.10 am Simply Sewing. 9.35 As Good As New. 10.00 Fangface. 9.50 pm Star Soccer.

BORDER

9.10 am Simply Sewing. 9.35 As Good As New. 10.00 Fangface. 9.50 pm Shoot.

CHANNEL

5.42 pm Puffin's Pla(i)ce.

GRAMPIAN

9.05 am Simply Sewing. 9.35 Sesame Street. 9.50 pm Scotsport—Action from two top football matches. 12.20 am Reflections.

GRANADA

9.15 am No Need to Shout. 9.40 As Good as New. 10.05 Bailey's Bird. 12.20 am Late Night Movie: "Jigsaw John."

HTV

9.10 am As Good as New. 9.35 No Need to Shout. 10.00 The Undersea Adventures of Captain Nemo. 10.05 Spiderman. 12.29 pm HTV News. 5.39 HTV News. 10.48 HTV Report Sports Headlines.

HTV Cymru/Wales—As HTV West except: 5.05-5.35 pm Sion a Sian.

SCOTTISH

9.10 am Simply Sewing. 9.35 As Good As New. 10.00 Doctor! 9.50 pm Scotsport. 12.20 am Late Call.

SOUTHERN

9.00 am Sesame Street. 10.00 Clapperboard. 10.27 Regional Weather Forecast. 12.20 am Southern News.

TYNE TEES

9.00 am Saturday Shake-Up. 9.05 B.J. and The Bear. 9.50 Butch Cassidy. 10.15 Saturday Morning Movie: "Istanbul Express" starring Gene Barry. 11.50 Saturday Shake-Up. *5.40 pm North East News.* 9.50 Shoot! 12.20 am Three's Company.

ULSTER

9.15 am No Need to Shout. 9.45 As Good as New. 10.05 Fangface. 10.25 *Sesame Street. 11.25 Larry the Lamb.* 11.35 Tarzan. 1.18 pm Lunchtime News. 5.00 Sports Results. 5.39 Ulster News. 9.49 Ulster eWather. 12.20 am Bedtime.

WESTWARD

9.30 am Mork and Mindy. 9.55 Look and See. 10.00 Fangface. 10.25 Gus Honeybun's Birthday. 12.27 pm Westward News. 5.42 Scoreline. 7.35 Westward News. 12.20 am Faith for Life. 12.25 West Country Weather and Shipping Forecast.

YORKSHIRE

9.00 am Simply Sewing. 9.25 Spiderman. 9.40 240-Robert. 9.50 pm *The Big Game (highlights from a top* local game, plus action from two other big matches). 12.20 am Police Surgeon.

RADIO 1

(S) Stereophonic broadcast
‡ Medium wave

5.00 am As Radio 2. 7.00 Playground. 8.00 Tony Blackburn with Junior Choice. 10.00 Steve Wright. 1.00 pm Adrian Juste (S). 2.00 A King in New York (S). 2.05 Paul Gambaccini (S). 4.00 Walters' Weekly (S). 5.00 Rock On (S). 6.30-7.30 In Concert (S).

RADIO 2

5.00 am Tom Edwards (S). 8.05 David Jacobs presents Star Sounds (S). 10.00 Pete Murray's Saturday Show (S). 12.00 The Magic Of . . . Nelson Riddle (S). 1.00 pm Tom Mennard tells Local Tales, and at 1.15 The Baby Grand Song Factory. 1.30 Sport on 2: Rugby Special (1.30, 1.55, 2.20, 3.05, 4.50, 5.25 pm) Ireland v. England; France v. Wales. FA Cup Football (1.30, 1.50, 2.45, 3.00, 3.45, 4.00, 4.42); Racing from Haydock (1.40, 2.10); Davis Cup Tennis (1.30, 2.00, 4.50, 5.35 pm) Great Britain v. Italy. 5.00 Sports Report including 5.00 Classified Football Results; 5.25 Rugby Round-up / Cricket Report / Tennis *Report; 5.45 Classified Racing/Football* Results. 6.00 Europe '81. 7.00 Beat The Record. 7.30 Big Band Special (S). 8.00 Saturday Night Is Gala Night (S). 10.00 The Mitchell Minstrels (S). 10.30 Band Parade with The Peter Dennis Big Band (S). 11.02 Sports Desk. 11.15 Peter Marshall with The Late Show (S), including 12.00 News. 2.00-5.00 am You And The Night And The Music (S).

RADIO 3

7.55 am Weather. 8.00 News. 8.05 Aubade (S). 9.00 News. 9.05 Record Review (S). 10.15 Stereo Release (S). 11.15 Bandstand (S). 11.45 Diversions *(S). 1.00 pm News. 1.05 Early Music* Forum (S). 2.00 Play It Again (S). 5.00 Jazz Record Requests, with Peter Clayton (S). 5.45 Critics' Forum. 6.35 American Piano Music (S). 7.10 "The *Marriage of Figaro*" (S). Opera buffa in four acts by Mozart: Acts 1 and 2 (simultaneously broadcast with BBC 2). 8.55 Interval Reading. 9.05 "The Marriage of Figaro," Acts 3 and 4. 10.30 Rudolf Serkin, Piano Music by Brahms (S). 10.55 In a Nutshell. 11.00 News. 11.05-11.15 Beethoven (S).

VHF ONLY—Open University: 5.55-7.55 am and 11.15-11.55 pm, and for students in Radio Scotland and Radio Cymru areas only: 11.55 pm-12.55 am.

RADIO 4

5.25 am Shipping Forecast. 6.30 News. 6.32 Farming Today. 6.50 Yours Faithfully. 6.55 Weather; Programme News. 7.00 News. 7.10 On Your Farm. 7.40 Today's Papers. 7.45 Yours Faithfully. 7.50 It's A Bargain. 7.55 Weather; Programme News. 8.00 News. 8.10 Sport on 4. 8.45 Today's Papers. 8.50 Yesterday in Parliament. 9.00 News. 9.05 Breakaway. 9.50 News Stand. 10.05 The Week in Westminster. 10.30 Daily Service (S). 10.45 Pick of the Week (S). 11.35 From Our Own Correspondent. 12.00 News. 12.02 pm Money Box. 12.27 Just a Minutes (S). 12.55 Weather; Programme *News.* 1.00 *News.* 1.10 Any Questions? 1.55 Shipping Forecast. 2.00 News. 2.05 Wildlife. 2.30 Wuthering Heights by Emily Bronte (S). 3.25 Medicine Now. 3.55 When Men and Mountains Meet. 4.40 Profile: Actress Judi Dench. 5.00 A Home of Their Own. 5.25 Week Ending (S). 5.50 Shipping Forecast. 5.55 Weather; Programme News. 6.00 News. 6.15 Desert Island Discs (S). 6.55 Stop the Week with Robert Robinson. 7.35 Baker's Dozen (S). 8.30 Saturday-Night Theatre (S). 9.58 Weather. 10.00 News. 10.15 If The Face Fits. 11.00 Lighten Our Darkness. 11.15 Instant Sunshine and . . . (S). 11.45 The Armchair Traveller. 12.00 News.

BBC Radio London

5.00 am As Radio 2. 7.30 News. 7.32 *Good Fishing. 8.0 News, weather,* traffic, sport. 8.15 Weekend What's On. 8.30 Bob Powel's London Country. 10.00 News. 10.03 Stuart Colman's Echoes. 11.30 The Robbie Vincent Show. 2.00 pm Time Off. 3.00-6.00 am Join Radio-2.

London Broadcasting

7.00 am AM-Des Fahy. 10.00 Jellybone. 12.00 LBC Reports. 1.00 pm Sportswatch. 6.00 LBC Reports. 7.00 Geet Mala. 8.00 LBC Special. 9.00 The London Interview. 10.00 Nightline. 1.00 am Night Extra. 4.00 Hayes on Sunday. 4.30 Decision Makers. 5.00 Morning Music.

Capital Radio

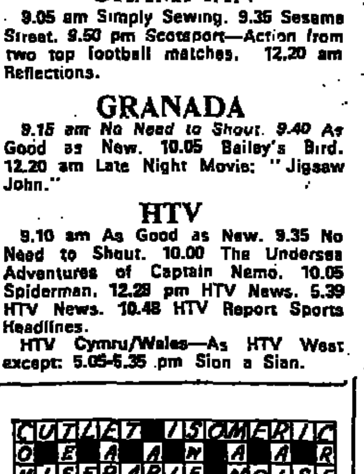
6.00 am Breakfast Show. 9.00 Countdown with Peter Young. 12.00 Dave Cash's Cash Country. 2.00 pm Afternoon Delight. 5.00 Soul Spectrum. 8.00 Six of the Best. 11.00 David Rodigan's Roots Rockers. 1.00 am After Midnight.

SOLUTION AND WINNERS OF PUZZLE NO. 4,507

Mr. J. G. Hughes, 180 Camphill Avenue, Glasgow G41 3DT.

Mrs. J. M. Read, 31 Wentworth Way, Bletchley, Milton Keynes, MK3 7RW.

Mr. I. P. Robson, "Cotswolds" Ferry Lane, Woodmansey, Beverley, N. Humberside.



هكذا من الأصل

TV Ratings

w/e March 1

UK TOP TWENTY (viewers m)

1	Coronation St. (Mon.)	(Gra)	17.75
1	This Is Your Life	(Tha)	17.75
3	Magnum	(ITV)	17.60
4	Coronation St. (Wed.)	(Gra)	17.20
5	Hart To Hart	(ITV)	16.85
6	Open All Hours	(BBC)	16.20
7	Family Fortunes	(ATV)	16.15
8	Partners	(BBC)	15.55
9	Hi-De-Hi	(BBC)	15.45
10	3—2—1	(YTV)	15.20
11	Doctor In The House	(BBC)	15.15
12	Crossroads (Tue.)	(ATV)	15.05
13	Crossroads (Wed.)	(ATV)	14.95
14	Top Of The Pops	(BBC)	14.60
14	Jim'll Fix It	(BBC)	14.60
16	Nature Watch	(ATV)	13.80
16	Nine O'Clock News (Wed.)	BBC)	13.80
18	Holiday	(BBC)	13.60
19	That's Life	(BBC)	13.35
20	*The Royal Engagement*	*(ITN)*	*13.10*
20	The Professionals	(LWT)	13.10

Figures prepared by Audits of Great Britain for the Joint Industry Committee for Television Advertising Research (JICTAR).

U.S. TOP TEN (Nielsen ratings)

1	Sixty Minutes (news)		30.8
2	Dallas (drama)	(CBS)	30.2
3	Tuesday Night Movie—Fallen Angel (drama)	(CBS)	28.4
4	MASH (comedy)	(CBS)	27.2
5	Amityville Horror (drama)	(CBS)	25.4
6	That's Incredible (variety)	(ABC)	24.3
7	House Calls (comedy)	(CBS)	23.2
8	Love Boat (comedy)	(ABC)	23.1
8	Lou Grant (drama)		23.1
10	Monday Night Movie — Evita Peron, Part 1 (drama)	(NBC)	22.7

CHESS SOLUTIONS

Solution to Position No. 361

1...N-B7 and White resigned. The winning threats are (a) 2 ...Q-K1 ch; 3 N-N5, RxP mate (b) QxP and (c) NxR.

Solution to Problem No. 361

1 R-QR5 (threat 2 RxP ch, KxR; 3 B-N4 mate) BxR; 2 R-N4, BxR; 3 B-N2 mate.

COLLECTING

Undervalued British art

BY JUNE FIELD

AN AREA of the picture market which often seems to escape attention is 20th century British paintings, they told me at Christie's, drawing attention to their sale on Friday, which includes works by Clausen, Sickert, Harold Gilman, Charles Ginner, Ben Nicholson and Augustus John. "It is certainly one of the most interesting of its kind that we have put together for some time," says Mr. Francis Farmar, responsible for the informative auction catalogue.

Provenance and background documentation of most of the 211 lots—paintings, drawings and sculpture—is impeccable. Acquired direct from the artist by the seller is a work of Walter Sickert (1860-1942), copied in 1927 from the lid of a pomade pot showing a Highlander's farewell to his family as he goes off to battle (estimate £2,000/£2,500); while a watercolour of Robert Bevan (1865-1925) "Tree and Farm Buildings" 1916-17 was given to the present owner by the artist's son as a wedding present in 1928.

Lady Diana Spencer's mother, Mrs. Shand Kydd, is catalogued as selling Edward Seago's "Cows grazing in a Meadow, Norfolk" estimated to fetch £1,500 to £2,500, "provenance acquired direct from the artist by the present owner," but it has been withdrawn. For a wedding present, perhaps?

The star lot (i.e. expected to attract the highest bid at the Christie sale, £20,000 to £30,000), is what is regarded as Sir Alfred Munnings' last great "action" painting. "Newmarket Incident: The Runaway." was executed when he was 76 for the Royal Academy Summer Exhibition in 1954. "It is 'A.J.' at his best!" wrote a critic.

Back in 1952 when Sir John Rothenstein's "Modern British Painters" was first published, he wrote of Augustus John (1860-1942): "Today, so far as critical opinion is concerned, he is on the way to becoming 'the forgotten man' of English painting." But now John is becoming another sought after "modern" artist: although perhaps the record £20,000 paid for his oil of his second wife, "Dorelia in the Garden at Alderney Manor, Dorset," 1911, may have owed something to it being bought at Christie's sale at the late Cecil Beaton's home, Reddish House, Wiltshire, last June.

John's later drawings, which were often preparatory sketches or studies intended for developing into larger works, are in good supply for the modest collector, and can still be found in the £100 to £250 range. Last month Jonathon Blond's Fine Art Gallery in London's Sackville Street sold for £550 one of the studies John made for a Canadian War Memorial in Ottawa in 1918: still available when last I looked, was the expressive drawing "The Supplicant," at £800.

In Christie's sale on Friday there is a fine early drawing, c. 1897, of Ida Nettleship, Gwen John and Ursula Tyrwhitt, which they say could go to £8,000.

Ida Nettleship (d. 1907) married John in 1901, although at the time this drawing was made, Ursula Tyrwhitt was uppermost in his affections, his first serious girl friend. She was superseded by Ida who had arrived at the Slade in 1892, and acquired many admirers including Clement Salaman, to whom she was briefly engaged. Clement had been introduced to her by his sister Dorothy who was one of a close circle of friends of whom John's sister, artist Gwen John, was another. The drawing was given by Augustus John shortly after it was done, to Michel Salaman, younger brother of Clement, and thence by descent to the present owner, Mrs. E. M. Salaman. (Michael Holroyd's "Augustus John," volumes 1 and 2, 1974 and 1975, documents the details in full).

Sir George Clausen (1852-1944), always occupied a prominent position in the art world, both as one of the founders of the New English Art Club in the 1880s with Philip Wilson Steer and John Singer Sargeant, and with his appointment as Professor of Painting at the Royal Academy Schools in 1908. But as many art dealers agree, it is really only over the last year or so that collectors have had their attention drawn to his work again. The catalyst was obviously the splendid exhibition of his work held last year at Cartwright Hall, Bradford, London's Royal Academy, the Bristol City Art Gallery and the Laing Art Gallery Newcastle-Upon-Tyne.

In the scholarly exhibition catalogue, Mr. Kenneth McConkey classes Clausen as a naturalistic painter of rustic subjects; and "Our Blacksmith," painted in 1931, portrays in detail the sinewy strength of the man working against the sombre setting, the interior of the forge at Great Easton, not far from Clausen's cottage, Hillside, which he bought in 1917, using a small shed at the bottom of the orchard as a studio. The blacksmith, Mr. Turner, who fought in the Great War, was paid half-a-crown for wearing his puttees and posing with the hammer held high. Sold at the artist's studio sale, Christie's 19 October, 1945, for 16 guineas, it is in Friday's sale with an estimate of £3,000 to £6,000 on it.

At the Christopher Wood Gallery an exhibition finished yesterday of Clausen's drawings, watercolours and paintings, mainly fom a sketch book formerly in the possession of the artist's family. Some are still for sale in the gallery, 15, Motcombe Street, London SW1, which will send a check list to serious enquirers. And there are more Clausens in a Sotheby's sale at New Bond Street on Wednesday, together with works by John, Munnings, Seago and Sickert.

Augustus John's drawing of Ida Nettleship, Gwen John and Ursula Tyrwhitt to be sold at Christie's "Modern British and Irish Paintings, Drawings and Sculpture" sale on Friday at Christie's Great Rooms, King Street, London, SW1

Pounds in our pockets

COINS

JAMES MACKAY

THE MOVEMENT for a pound coin in Britain took a step forward—in two different directions—in January when the Royal Mint unveiled the coins manufactured for use in Guernsey and Jersey. The Jersey pound was launched as a commemorative (for the bicentenary of the Battle of Jersey) and therefore, if it fails to get into general circulation, it can always be argued that it was mainly intended as a souvenir anyway. Guernsey does not have this letout, however, and its pound was presented to the public as a genuine circulating coin, with no strings attached.

The Jersey pound was struck in cupro-nickel, an alloy with which we are all familiar, as a substitute for silver since 1946. The problem of relating it by weight to exising cupro-nickel coins was avoided by giving it a new shape—a rectangle with rounded corners.

Actually, Channel Islanders will instantly recognise the shape as being that of a 10-shilling coin which Guernsey issued in 1966 in honour of William the Conqueror. Although the coin commemorated the 9th centenary of the Battle of Hastings it was intended for general circulation.

It was unpopular, and it may be no coincidence that when the Royal Mint introduced 50p coins in Britain three years later a more acceptable heptagonal shape was adopted. A heptagon could not therefore be used for the Jersey pound and any increase in size or weight was clearly unthinkable. For good measure, the new pound has an edge of alternately plain and ribbed sections to assist the blind and partially sighted to distinguish these coins from any Guernsey ten-bob bits that might just happen to cross from one island to the other and confuse the situation.

Guernsey's pound, on the other hand, has gone back to the traditional diameter of the gold sovereign—slightly less than that of a 5p—but with a much greater thickness and an edge bearing an incuse inscription instead of the usual milling. Confusion with the 5p is further avoided by using an entirely different alloy with a golden colour. Various proof versions, in sterling silver and 22 carat gold, are also available, and further details may be obtained from the Royal Mint Numismatic Bureau, Llantrisant, Pontyclum, Mid Glamorgan, CF7 8YT.

Hard on the heels of these island issues came an announcement by the Chancellor of the Exchequer that the Government were considering the issue of £1 and 20p coins within the next three years. The pound coin would follow the size, weight and alloy of the Guernsey pound, while the 20p would be in cupro-nickel, heptagonal like the 50p, but only 22mm in diameter.

After a decade of decimal coinage, the pound is worth only 30p of its 1971 value and by 1984 the question of introducing a pound coin may be resolved itself merely by retariffing the 10p which is far too big for its spending power.

Britain's reluctance to introduce a circulating, base-metal pound is all the more remarkable when it is realised that other major European countries have had a circulating coin of equivalent—or greater—value for some years. When West Germany launched the silver 5 DM coin in 1951 it was worth less than 10 shillings in sterling. By 1975, when Germany was forced to replace silver by cupro-nickel, this coin was worth slightly more than a pound. Switzerland issued a 5 franc coin in 0.835 fine silver until 1969, but introduced a cupro-nickel coin in 1968. Both Monaco and France adopted base-metal 10 franc coins in 1974, the former in cupro-nickel and the latter in nickel-brass. All these coins circulate widely in their respective countries, although notes of the same denominations are also provided as an alternative.

The Isle of Man was the first country in the sterling area to adopt a circulating pound coin, in 1978. Like France before and Guernsey after, the problem of avoiding confusion with existing cupro-nickel coins was avoided by using an entirely new alloy. Thus, by adopting the golden-hued virenium, the Isle of Man could drop the size of the coin down to that of the traditional sovereign. This was a courageous step, in view of the opposition from people who feared that it would be confused with the 5p, but the provision of an edge alternately plain and grained has obviated any confusion. The main problem with the Manx "round pound" is its sheer novelty. As quickly as the coins are issued they are snapped up by tourists and numismatists for whom the unique system of security die-marking is a big attraction. The sequence of die-letters on the reverse, togeher with the various privy marks associated with the round-pound swaps at exhibitions and events like TT Week, add up to some 18 distinct, collectable varieties, some of which now change hands at £6 or more.

While the mainland debates the question of introducing a pound coin by 1984, the Isle of Man has gone ahead and issued a £5 coin. This has the same basic design as the pound, with the three-legged emblem superimposed on a map of the island. It is in virenium and weight-related to the pound, resulting in a crown-sized piece. Since 1973 the Isle of Man has had gold £5 coins legal tender for that sum though, of course, worth very considerably more, but the new coin is the first high-value piece in general circulation since 1914. Gold £5 coins were minted sporadically from 1820 till 1902 and proofs in 1911, 1937 and 1980, and rank among the most sought-after rarities of modern British coinage.

GOLF

Getting into the swing

BY BEN WRIGHT

THE "SECRETS" of the golf swing are ten a penny, and most of them are hardly worth that much. Editors at publishing houses and magazines persistently claim that instructional material is their big seller. My answer is that this probably explains why only the very occasional outstanding work amidst the torrent of misleading mediocrity spewed on to the market every year manages to reach the best sellers' list.

Occasionally, however, a "secret" arrives on the desk that rivets the attention before blinding this victim with science. The latter is easily done, since my attention span is as minimal as my scientific knowledge.

Do you remember seeing Gary Player — most likely on television — hitting that momentous nine iron shot to the 17th green at Augusta National in the last round of the Masters tournament of 1974? The ball finished stone dead for a birdie that gave the little South African his second green jacket. The interesting point to watch was that Player seemed almost completely to lose his balance as he virtually "walked" through the shot.

Two years previously at Oakland Hills in the final round of the U.S. PGA Championship which Player was also to win, he had just dropped shots to par at the 14th and 15th holes, missing a 12 in. putt at the latter. The South African told his playing partner Phil Rodgers that "I have just blown the championship with that dreadful tee shot" as he let slide his three wood into the trees to the right of the fairway at the 405 yards 16th. Player proceeded to blast a phenomenal nine iron shot 150 yards over the trees and the intervening lake that pulled up 4 ft from the hole. But as he hit the shot at this dog leg right hole he took off at the double to his left to witness its fate.

While ignorant writers and commentators like myself have condemned Player for this lack of balance in recent years my correspondent Peter Beames, an expatriate British professional now teaching in California, maintains that the South African, albeit unwittingly has found the golf "secret." The 34-year-old Beames, whose 13-year globe-trotting career has been a constant battle against lack of height and weight — he is 5 ft 6½ in tall and weighs at his heaviest 10 stone 5 lb — should know what he is talking about. On the last occasion I met him last December in New Zealand Beames hit the ball consistently well "on the walk" for rounds of 71, 71, 72 and 71 to tie for 19th place in that country's Open Championship in New Plymouth. Beames played the last 36 holes with Australian Jack Newton, who is much more experienced and better endowed physically, and consistently outdrove him. Like so many others Newton was considerably amazed, and joked that Beames was "trying to do a Gary Player." Of course he was.

Beames maintains that the average weekend hacker has not got half the strength and muscle tone to stay behind ball, arching his back in a sort of reverse "C" shape, when he probably cannot even see, let alone touch his toes. The tiny Englishman compares Player "hitting over the ball on the walk" to Bjorn Borg putting topspin on a devastating forehand.

Beames has watched the film of Ben Hogan's momentous play-off against Sam Snead in the 1954 U.S. Masters which the latter won by 70 to 71 shots, and points to Hogan's high right shoulder and straight back as he almost walks after the ball. He points to photographs of Walter Hagen and Bobby Jones leaning forward through the ball, as does Lee Trevino today. He talks of the straightening of the back by Jack Nicklaus and Tom Watson "as their legs can no longer take the strain." Beames also remembers that Seve Ballesteros hit and walked off his second shot to the last green when he won the 1979 Open Championship at Royal Lytham. He implies that players fall back on this technique under extreme pressure, but that you won't see them use it on the practice tee.

Beames recommends the opening of the blade at the top of the swing so that one has only now to release the shoulders, hitting from the top, and to hell with keeping the head still and staying behind the ball, as the textbooks mostly direct. He advises: "Keep your eye on the ball as your head moves forward. Have you ever seen a boxer land a powerful blow with his back arched and his weight on the back foot?" No, I haven't.

As Beames also asks quite logically: "How on earth could Hogan use his legs for power after they were destroyed in his terrible car smash? But he found a way to use the whole body as a source of power." Beames compares the swing he advocates to the action of shutting a heavy door with the whole body involved. He also cites the example of a quarter back in American football throwing a long pass—overhand—and the javelin thrower having all his weight on the front foot as the back leg, the right swings round freely. Beames believes that the requirement of a high trajectory for distance in the American game gave rise to much of modern theory, including the destructive "square to square" method that has caused so much back trouble as ordinary mortals have strived to achieve the reverse "C" position—head still—and body behind the ball as the hands and legs pour on the power.

Beames is basically pleading for a return to the basics on which the early stars of the game relied not only because they were just as, if not more effective, but more importantly they are much more nearly within the compass of the ordinary club golfer.

It has always been a source of mystery that Americans have mocked my swing and those like it for inadequate use of the legs and hands, and for far too much use of the shoulders. The fact that I have managed in this way to hit a golf ball as far as some much stronger giants with less than half the effort, and in most cases very much straighter, which is more than half my battle, seems to escape the "smash it at all costs" brigade, whose general is Arnold Palmer. What these critics forget is that Arnold's feet are usually pointing to the target at the finish of his swing, which is one of Beames's points.

RACING

DOMINIC WIGAN

AS A RESULT of the shrewd contingency plans to allow an all chase programme, today's card at Haydock looks safe. Racing was not possible there yesterday but the chase course is in reasonable shape and the Group One Lancashire track looks likely to attract a bumper crowd for a meeting which features £12,000 events in the Timeform Chase and the Greenall Whitley Breweries Chase.

Although ten, including the much fancied Tragus and the Devon chaser, King or Country, have accepted for the Greenall Whitley Handicap the race has a substandard look about it now that Night Nurse and Straight Jocelyn have come out.

Tragus was never going well at Kempton a week ago after being out-jumped by Mac Vidi and despite the hopes of some he is best ignored for the present.

In contrast to Tragus, who has been kept on the go for a long while now, King or Country has been extremely lightly raced this term. He was having only his second race of the campaign when runner up to Duc de Bolebec in Newbury's 2½ miles Thatcham Handicap last time out.

King or Country was running on better than any apart from the winner there and, with an additional half mile to cover, will go close barring a serious jumping error.

Half an hour before the big brewery prize an absorbing race seems certain for the forerunner Timeform Chase in which quality undoubtedly makes up for quantity. Here that leading Gold Cup prospect, Little Owl, will be attempting to give three pounds to Wayward Lad. A good many will expect the far more experienced Easterby chaser to have matters very much his own way over the fences. However, I suspect that those with that view will be in for a surprise. For with an inadequate trip against him and also the strong possibility of an unfavourable slow, muddling pace a strong case can be argued for the younger Dickinson hope.

Last time out Wayward Lad excelled over today's 2½ miles trip in crushing the odds-on Irish challenger Royal Dipper in Ayr's West of Scotland Pattern Chase. He appeals as a sound bet to lower the colours of the possibly over-rated Little Owl who will be odds-on.

HAYDOCK
1.45—Wayward Lad***
2.15—King or Country*
2.45—Spartan Missile
3.15—Estate Agent
3.45—Starlight Lad

NEWBURY
1.30—Homeson
2.00—Upton Grey
2.30—Melerek
3.00—Midnight Court**

HEREFORD
1.15—Bold Hope
1.45—Hobo

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Saturday March 7 1981

A challenge to the Chancellor

WHEN THE Chancellor rises to present his Budget on Tuesday he will be judged on the form as much as the content of his performance. His audience in Parliament, in the City, in Britain's industrial centres and in foreign countries will be assessing his self-confidence and his faith in the Government's medium-term strategy as well as the detailed measures which he announces on taxation, interest rates and public spending.

The markets have been discounting for some weeks the broad outlines of the Government's probable Budget measures. There will automatically be a moderate tightening of the underlying fiscal stance as a result of the increase in National Insurance contributions which was announced last November. There may be a further small increase in the income tax burden which, like the National Insurance contribution, wil bear disproportionately on the lower-paid, if the Chancellor fails to adjust income tax thresholds in line with inflation. Offsetting these, there will doubtless be some help for industry, although it is unlikely to come near the Confederation of British Industry's demands in its pre-Budget submissions.

Borrowing

In past years, the main preoccupation of investors assessing the Budget would have been with the degree to which these and other tax decisions—on oil, on bank profits and on consumer items—will offset the large increases in public expenditure on unemployment benefits and on the nationalised industries. After the large overruns of the past two years, however, it is doubtful whether much credence will be given to the Treasury's forecasts of the Public Sector Borrowing Requirement. Even the forecast for this financial year's PSBR will have to be treated sceptically until the final, revised figures are issued in the summer.

Like sterling M3, the PSBR has proved to be a rather unreliable day-to-day indicator of the Government's intentions and of the impact of policies on the real economy. But this does not mean that the medium-term strategy, which was announced last year in terms of these two indicators, is an irrelevance. While the first year's figures in the strategy were overtaken by events almost before they were published, as was pointed out this week by the House of Commons Treasury Committee, it does not follow that the whole strategy and the long-range thinking on which it was based has to be jettisoned.

There have been successes as well as failures in the past year's economic experience. Inflation has halved, from almost double the average for the industrialised countries to somewhat below the average. Industrial relations and the prospects for pay in the private sector have improved considerably; pay settlements in many parts of the private sector have been reduced to a rate comparable with that of Britain's major overseas competitors. There is a new emphasis on productivity and efficient management throughout industry. Despite the unremitting impressions of gloom produced by forecasts and surveys which tend to project forward the most recent experience, there is a real chance that, if an economic recovery begins, British industry will have been toughened by the past two years and will take advantage of it.

The key questions, therefore, are whether a recovery will come, and whether it will come soon enough to save the Government from electoral defeat or, more immediately, to save its economic strategy from abandonment in the face of political pressures. In redefining the strategy in his Budget statement, these are questions which the Chancellor will be unable to ignore. He will have to convince not just investors and industrialists but also his own Party that a strategy still exists in a form which is clear enough to be comprehensible, but practical and robust enough to allow the sort of flexibility which has already been forced on the Government.

Interest rates

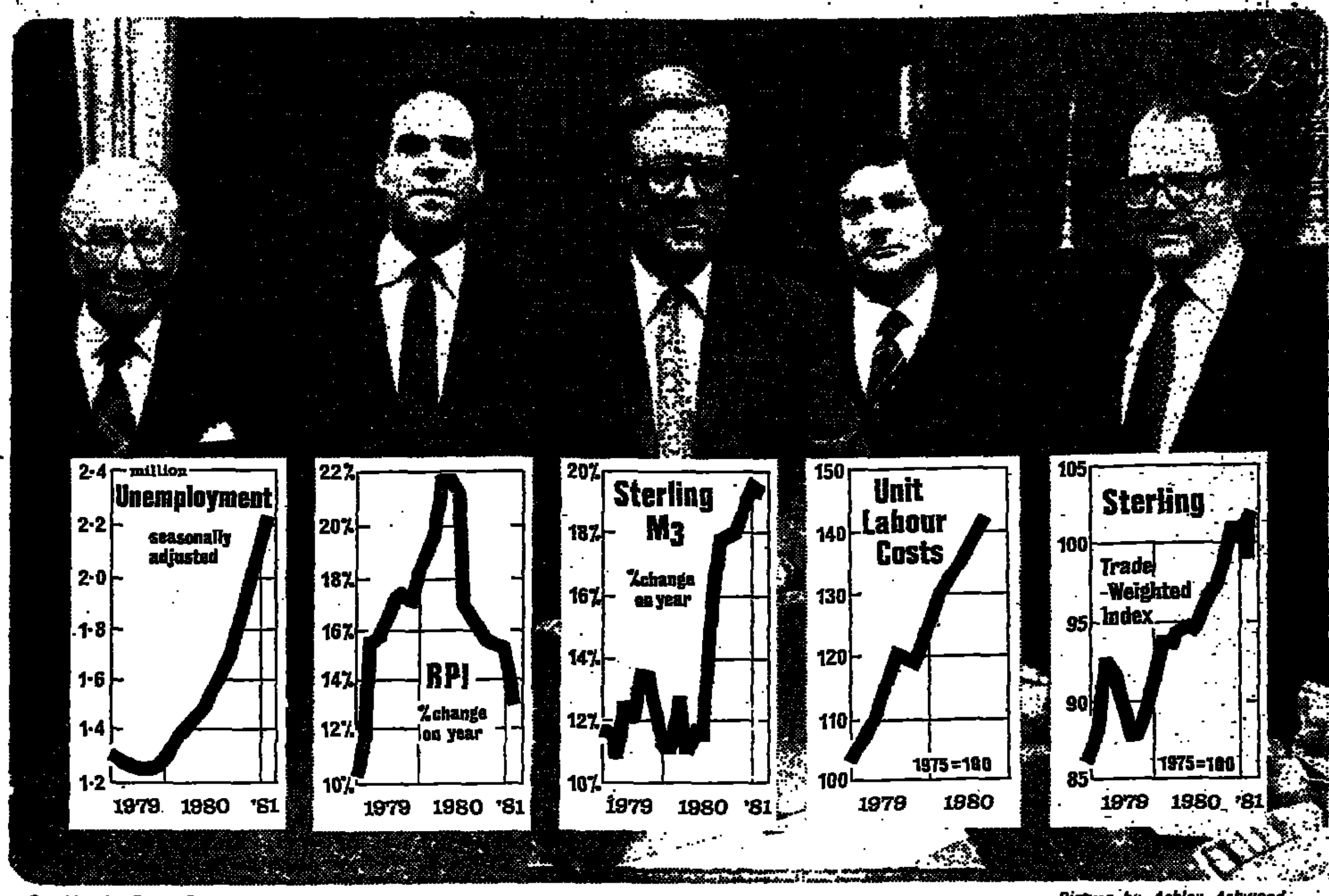
The main prospect of recovery within the framework of the strategy lies in a decline in interest rates. This could provide more effective, and more selective, help for industry than changes in tax rates or direct assistance from Government departments in opposition to market forces. A fall in interest rates should in turn ensure that the exchange rate does not move too far away from the level which would be consistent with the survival of those industries which have a chance of approaching the level of efficiency of their competitors in other countries.

The recent falls in sterling reinforce the view that much of industry's pain has been due not to Britain's emergence as an oil exporter or to inevitable changes in the structure of the trading sector of the economy, but to high interest rates. These in turn have been the consequence of misjudgments in the balance of fiscal and monetary policy and of misleading indications given by the monetary figures themselves. This is why we continue to believe that the mildly deflationary stance which the increase in National Insurance contributions ensures is appropriate and why we continue to attach paramount importance to a clarification and redefinition of the monetary strategy and of the instruments required to implement it.

SIR GEOFFREY'S LIKELY CHOICES

A layman's guide to the Budget

By David Palmer and Peter Riddell



Graphics by Brana Radovic

Picture by Ashley Ashwood

The Treasury Ministers: Mr. Peter Rees, Mr. Leon Brittan, Sir Geoffrey Howe, Mr. Nigel Lawson and Lord Cockfield.

WILL Sir Geoffrey Howe's Budget on Tuesday raise or lower the overall level of taxation?

The short answer is that most Financial Times UK readers will pay more tax next year than they did this, even after adjusting for inflation. National insurance contributions will go up in April by £4.36 a week for those earning over £10,000 a year. We have already been warned that both tax allowances—the single person's allowance, married couples' allowance and so on—and the starting points for higher rates of income tax will not be raised fully in line with inflation.

So although we have more or less been told by Mrs. Thatcher that there will be no change in the basic rate of income tax, the percentage of our income taken in tax will rise. You should also expect an attack on some of your perks if you have any. Free petrol for the company car may be harder to come by on Tuesday evening.

What about indirect taxes?

The best guess is that VAT will stay at 15 per cent. But duties on drink, tobacco and petrol will rise, probably by at least the rate of inflation. If duties were raised by 15 per cent to take account of inflation during 1980, then beer would go up by 1½p from the present 50p or so a pint, cigarettes by 6p on top of the present 77p or so for a packet of 20 king size; a £2 bottle of plonk would go up by 11p; and petrol by 7½p a gallon on top of the present level of roughly £1.30p.

Is industry going to be hit this time?

No, the Government wants to offer most of industry whatever relief it feels it can afford. But three specific sectors could be singled out for higher taxes: first, the banks, whose profits tend to go up in times of high interest rates because a lot of the public's money is lying in current accounts on which the banks pay no interest; secondly, the North Sea oil companies, which have seen the price and therefore the profitability of their oil rise substantially in the past year; and thirdly, the gambling industry.

What will the concessions to industry be?

Not as many nor as large as industry hopes. The Confederation of British Industry has been arguing that British industry pays substantially more for its energy than its continental rivals. This week, the Government has accepted that it may have a case, following the NEDC report on the problem. Some relief could come on bulk energy tariffs, and the duty on heavy fuel oil could be cut.

We will be given details of a new scheme for relief of the taxation of profits on companies' stocks whose value has risen with inflation — known as the stock relief scheme. There will be the usual package of measures aimed at encouraging the formation and growth of small businesses—this time, the measures are likely to concentrate on tax incentives for investment. There could be a small concession on the national insurance surcharge — the one that was brought in as an emergency measure during the 1976 sterling crisis.

That all sounds like pretty small beer. But would not lower interest rates and a weaker pound be the biggest help that the Government could offer industry?

That question goes straight to the heart of this Government's economic policy. Last summer, most of the Government's economic advisers thought that their policy required high interest rates. The Budget will mark a significant shift in that policy. A growing body of opinion argues that high interest rates contribute to an uncompetitive level of sterling. Professor Alan Walters, the Prime Minister's new economic adviser, has been urging the Government to include sterling among the indicators that measure the tightness of monetary policy. So the Government's answer to the question is yes.

We are now entering a new phase of Government monetary policy in which a weaker pound is an objective, and lower interest rates one of the main means of reaching it.

Will that mean a cut in Minimum Lending Rate and a fall in sterling?

MLR will almost certainly be lowered, and that will mean the cost of overdrafts and mortgages will be coming down. Most people think that the MLR cut will be between 2 and 3 per cent. Overdrafts will fall by the same percentage, but mortgages will probably be lowered within the 1 to 2 per cent range.

Sterling has already fallen dramatically by over 5 per cent in three weeks. A number of people from Mrs. Thatcher downwards have been publicly anticipating the change in Government policy that will be formalised on Tuesday.

What has caused this shift in Government policy?

Two major factors. First, mounting pressure from industrialists who argue that the strong pound is causing a permanent loss of export markets, and the destruction of fundamentally sound businesses. Secondly, the growing realisation by the Government and in particular by the Prime Minister of the social and political threat posed by the sharp and continuing rise in unemployment.

Has the Government just not worried much about unemployment up to now?

That is too crude a way of putting it. Throughout the 1950s and 1960s, full employment was an objective of Government economic policy. Keynes's theories were used to try and iron out fluctuations in the business cycle by adjusting the level of taxation and government spending so that the country's productive capacity was as fully utilised as possible. In the early 1960s, inflation came to be seen as a threat to this approach, and from 1961 onwards, a series of "incomes policies" was introduced to try and curb inflation while maintaining full employment. By the mid-1970s, however, UK inflation had moved into double digits. Policymakers began to see inflation as the primary threat to stability and to the chances of sustained economic growth. Until you conquered inflation, it was argued, a full employment policy was unattainable. And that meant controlling the amount of money in the economy.

> The question of what to do about high interest rates and the strong pound—and their effects on industry's performance—goes straight to the heart of this Government's economic policy.

So from the mid-1970s onwards, controlling the money supply became the dominant theme of economic policy?

Yes. From 1976 onwards, the Callaghan-Healey administration accepted the setting of monetary targets, although they combined this with an incomes policy. In practice, though it was never put this way. Mr. Healey abandoned full employment as a goal of Government policy. Mrs. Thatcher took "monetarism" several stages further. She abandoned incomes policy and attempted to tighten monetary policy, all against the background of sharply rising oil prices. The level of unemployment became almost a residual in a policy whose primary objective was the conquest of inflation.

The Government's chosen measure of money supply was called sterling M3. Your share of the money supply is the cash you are carrying in your pocket; any positive balance in your current account at the bank; and any money you have earning interest in a bank deposit account. The Government set itself a series of targets over four years for a steady reduction in the rate at which sterling M3 increased. This was called the medium term financial strategy.

It was supposed to be supported by a lower level of spending throughout the public sector — the health service, local authorities, nationalised industries and the like. This in turn would reduce the Government's need to borrow money, which would lead to lower interest rates all round.

But it has not worked like that, has it? Have not public sector spending and borrowing soared? Yet interest rates are now coming down.

You are quite right about public sector spending. On the one hand, the Government has found it far harder to cut back on specific programmes than it thought it would. The two biggest problem areas have been defence, where the increase in cash terms looks like being roughly double what had been planned; and local government, where some councils stubbornly resist central Government attempts to cut back its spending and its staff numbers.

On the other hand, the recession has cost the Government much more than was anticipated. There are an extra 1m unemployed since the last election, costing the Government £3½bn in benefits and lost tax revenue; and the Government has found itself being dragged into heavy support for its nationalised lame ducks.

But all that should have kept interest rates up, should it not?

Yes, and long-term interest rates still are up, and will remain relatively high so long as the Government needs to go on borrowing at its current rate. But at the short end, the Government itself wants to bring the rates down, because it now believes that high interest rates are producing too tight a squeeze on industry.

Does that mean that sterling M3 is no longer the sole barometer of financial policy?

Sterling M3 has been knocked off its pedestal. It has grown at 18 per cent in the last year compared to a target range of 7 to 11 per cent. The high short term interest rates that were supposed to control the money supply have instead contributed to it, partly by causing distress borrowing by industry; partly by attracting money into deposit accounts which otherwise might have been spent. Sterling M3 has apparently been growing out of control while unemployment, the strong pound and the state of industry have all been pointing to a severe monetary squeeze. Sir Geoffrey will tell us next week what his new monetary targets will be. A whole range of monetary indicators will be placed on the pedestal previously occupied just by sterling M3.

The rate of inflation—which is the object of the whole exercise—has come down faster than even the optimists expected, hasn't it?

Yes. The factors which are now persuading the Government to adjust its policy—rising sterling, a deeper recession, the squeeze on profit margins—have also led to the rate of inflation coming down faster. But it is not expected to fall much further than its present underlying rate of less than 20 per cent.

You have listed a series of shifts in the emphasis of Government policy—on interest rates, sterling and support for nationalised industries. Is this a U-turn?

No. The fight against inflation remains the Government's principal goal, and monetary control is still the means to achieve it. What we are seeing, and will be formalised on Tuesday, is what the Government argues is merely a more flexible approach to the policy.

Does that mean the worst is over?

Most forecasters think the recession will bottom out some time between the spring and the autumn. But they also believe that any recovery will be very weak because they expect both exports and capital spending by industry to go on falling.

And how different will Sir Geoffrey Howe's Budget be from that of a Keynesian Chancellor?

Very different. Keynesians believe that unemployment rather than inflation is now the main enemy. They would increase public spending and cut taxation in order to boost demand and the economy. This week, the CBI started to move in this direction. Many Keynesians, but not the CBI, support an incomes policy. They do not believe that expansion now, with the economy depressed, carries with it a risk of an inflationary explosion. And that is the main divide between monetarists and Keynesians.

Letters to the Editor

Telecommunications

From Mr. M. Corby.

Sir,—The headline to Jason Crisp's article of March 2 stated that we were urging "aid" for British Telecom. In fact the Post Office Engineering Union, the Society of Post Office Executives, and the Telecommunications Users' Association in our collective letter to the Chancellor stressed that BT does not need aid, but investment. There is no question of BT not being able to pay a proper commercial return on any loans.

The problem with BT's financial structure is that it is hopelessly under-geared. A high growth business requires a proportion of loans or a form of equity or a mixture of both. The lack of such finance throws BT back on funding from revenue which limits the rate of growth and thus tends to depress profits.

It is ironic that this and previous Governments while arguing the need for industrial modernisation and for investment in high technology should actually cut off funds from the organisation with a central role in technological development and application. Both this and the previous Government have argued the need to invest the UK's North Sea oil wealth in projects that will transform our industrial and commercial base to generate wealth when the oil reserves become exhausted.

Telecommunications is not only a prime candidate because of its growth potential, profitability, and ability to yield a high rate of return on funds invested. It is also an energy substitute. The office of the future, if the UK could provide the communications structure to turn it into a reality, will produce large savings in resources by reducing the need for travel and for goods and equipment with a high energy input. Investment in such a prospect is in no way "aid." It is essential if the UK economy is to make the most of its present opportunities, and is essential if the UK is to capitalise on its windfall wealth from energy reserves.

M. E. Corby.
Telecommunications Users' Association,
Tress House,
3-7 Stamford Street, SE1.

Depression

From Mr. N. Roderey

Sir,—The Government has been put on trial in the public forum. It is accused of ruining the economy of this country. The accusation cites four main arguments: the relentless rise in unemployment; the growing number of bankruptcies; the severe cuts in public spending; and the deepening depression of the economy.

There seems to be a conspicuous lack of speakers for the defence, to refute in public those arguments.

The arguments of the accusers, however, can be nullified by four truths. All unemployment is a human tragedy, but some unemployment is an economic necessity in a technological economy. It is necessary also to end overmanning, thus uncompetitiveness, to transfer manpower from declining to rising industries. Every bankruptcy is also a human tragedy, but some bankruptcy is always an economic inevitability. The bankruptcies of inefficient enterprises leave a more efficient economy. The spending cuts too bring hardship, but no one can deny the truth which has become a truism that no nation can spend more than it has earned, that no government can spend more, except by borrowing money, leaving others less to spend, or by printing money, that is by inflation. The depression is a common misfortune of all, but no one can accuse this Government of responsibility for the depressed state of the economy. He or she would have to accuse all the Governments of the world. In the case of Britain they would have to accuse not only this Government, but all the Governments in the last thirty years or more.

There has been a decline of the British economy all those years, and no Government had the courage to apply the necessary remedies. It may be the fault of management, of labour, it must be that of both, it is not the fault of this Government.

Nicholas Roderey.
34, Russell Chambers,
Bury Place, WC1.

Banks

From Mr. W. Kaye

Sir,—In view of the amount of discussion on bank staff pay at present, it seems to me that there are some simple truths which should be expressed.

It should not be considered inflationary to increase pay in line with the rise in the cost of living when this can be done out of profits. In fact, one could argue that any extra payment made by the banks, will reduce their reserves, and therefore their lending capacity and in fact reduce the money supply!

If however, the banks cannot afford to maintain the living standards of their employees, they should not be increasing their dividends by 20 per cent—in fact, some would argue, that in such circumstances they have no business to be paying dividends at all.

W. E. Kaye.
32, Primrose Chase,
Goostrey, Cheshire.

Textiles

From Mr. M. Madden

Sir,—Your call for a strategy for textiles (February 27) is welcome. Do your remedies, however, of increasing specialisation, controlled contraction—and hoping the Common Market will persuade the Americans to play the game—amount to a sound strategy for the future of the British textile industry? I doubt if those still working in the textile industry, still less the thousands who have lost textile jobs, would think so.

Textile workers, traditionally low paid and loyal, have co-operated fully in re-organisation and rationalisation: their reward, low wage increases and massive job losses.

Their employers were cheer leaders for Britain's entry into the Common Market. Those employers have since stalked Westminster complaining about the Common Market, including its failure to combat dumping.

British textile workers have seen their jobs disappear from textile imports, not for the most part from traditional, low-cost sources, but from subsidised exports from developed countries including America, the Common Market and Eastern Europe.

American textile companies have enjoyed most favourable energy prices—and high tariffs against imported textiles—for years. America's determination to sustain this protection casts doubt on claims that effective import controls attract retaliation.

Any convincing strategy for British textiles, therefore, must be based on planning trade; effective action to deal with unfair competition; public investment to create good alternative jobs in areas of textile decline; public investment only being made in return for firm guarantees over job security and disposal of plant; massive public support for regional regeneration; and more public funds for training, research and development.

Max Madden.
22 Hanson Close,
SW12.

Clothing

From the Director,
British Clothing Industry Association

Sir,—In your leader "A strategy for textiles" (February 27) you do the clothing industry a grave disservice by suggesting that its performance in EEC markets since 1973 has been disappointing and that branded clothing lines from the Continent are taking a large share of the UK market.

There may well be more European branded goods on sale in this country than there were prior to our entry into the EEC, but there are even more British goods on sale within the EEC. We have steadily improved the balance of clothing trade with the EEC since joining the Common Market from a deficit in 1973 of £7m to a positive balance of £113m in 1980. We should sometimes be given credit for what we have done.

Gerald W. French.
14-16, Cockspur Street, SW1.

Economists

From Mr. J. Robertson

Sir,—Save us from economists. Save us at least from the 22 professorial economists who, whether or not lying end to end, certainly failed to reach a conclusion (March 3). Save us too from policies based on the advice of theoreticians. Better by far to rely on expert teams, who know the operation and practicalities of their individual enterprises whether in business or public service, to put their heads together and with a will to succeed, set policies, targets and implementation plans—and get on with them.

J. D. M. Robertson.
16, Homewaters Avenue,
Sunbury-on-Thames,
Middlesex.

Railways

From Mr. M. Douglass

Sir, — Mr. Lester's belief (February 26) that parts of the railway system are profitable may be based on a misunderstanding of the difference between operating profits, before allowing for depreciation and interest charges, and real profits.

He ignores the concealed subsidies which I mentioned in my earlier letter. Capital debt is never "written off," the expression is meaningless: someone always has to pay.

If a company such as, say, ICI had the responsibility for payment of interest on, and redemption of, its £1.3bn of loan stock transferred to the taxpayer, failed to make appropriate provision for depreciation of assets and then declared a dividend on its equity capital based on operating profit, would that be a fair measure of its profitability?

The 11 per cent "internal" rate of return mentioned by Mr. Lester is not a profit but a reduction in losses. Calculating the rate of return on an individual road scheme is rather like calculating the return on placing one railway sleeper. What matters is that road users pay in cash more than twice the sum spent on roads. This gives a real, and huge, rate of return.

M. J. Douglass.
Pondground, Greenham,
Wellington, Somerset.

Stevenage

From Mr. B. Wells MP

Sir,—I read with interest John Elliott's article (March 4) on Stevenage which I have the privilege to represent. It interests me to see journalists blindly following the fashionably held view of the economy even if the facts don't quite fit that view.

Stevenage offers the potential for expansion to technologically based industries which no other town near London can boast. There is no other town in Hertfordshire that can boast that it has housing land and industrial sites available for the expansion of existing industries based in the town or for newcomers both large and small. In spite of the adverse financial climate there have been several new company formations and the return of a company in an expanded form Drysys King, formed out of the old George King company.

The problem Stevenage has had in the past is that it could not offer a new industry any skilled personnel. To some extent the closing down of loss making companies should be looked upon as a means of laying down the foundations on which efficient competitive industry can be based which will in turn absorb the unskilled unemployed.

There is no point in being fashionably cynical about the future. Remember it is optimism and confidence which breed success.

Bowen Wells.
House of Commons, SW1.

POLITICS TODAY

This happy breed—but not about politics

THE BREAKTHROUGH of the new Social Democrats in Parliament came shortly after 6 pm on Tuesday when Dr. David Owen, the former Foreign Secretary, was finally called to speak in the defence debate.

Dr. Owen spoke with authority, and with a knowledge of the subject as great as that of anyone else in the House. What is more, he was able to attack both front benches alike. When he spoke of arms control, one had the impression that he both meant it and understood it. He attacked the Tories for not being interested in it and the Labour Party for preferring unilateral disarmament. That other minority grouping, the Liberals, has never been able to speak with that kind of weight; nor did anyone else in Tuesday's debate.

Dr. Owen has another quality which is rare among contemporary British politicians: he is not tinged with an aura of defeatism. He actually believes that it is possible to achieve something.

In this, he is reminiscent of what might be called early Thatcherism. That was in the days of 1978-79, when Mrs. Thatcher and Sir Keith Joseph were making the populist and intellectual running by claiming that things could be changed, that bureaucracies could be slimmed and that the power of the state could be reduced. Since then, the Tories have run into difficulties, not least among themselves. They have not put into practice what they promised, and they have become apologetic.

But there should be no doubt that the new party is preparing to draw on the early and more radical Thatcher-Joseph ideas and, if necessary, to use Saatchi & Saatchi to promote them. My own guess is that public opinion still wants the kind of changes that the Tories originally promised, but is mystified by the Government's failure to carry them out. The opportunity for the Social Democrats is to move in where the Tories have given up.

* * *

THE FOLLOWING is an attempt to give a profile of what the British electorate thinks and wants. It is based on a thoroughly comprehensive survey of public opinion undertaken by Millward Brown Associates for the Pressure for Social Changes programme of the Henley Centre for Forecasting. All that I have is the raw data. Any conclusions drawn are entirely my own.

The survey was undertaken in the first half of February on a quota basis on all the normally accepted standards and, as well as all the usual categories of age, sex, class and region, has a political breakdown which includes allegiance to a new Centre Party. What is interesting about it, however, is that attitudes do not appear to change all that much according to party preferences.

There is a major question-mark over the young and the poor who frequently emerge as less satisfied than any other groups. That itself is worthy of political attention.

Yet the British people on the whole are not basically fed up. They have become realistic enough to recognise that our European neighbours are better off. Only 20 per cent of those sampled thought the contrary and there were 14 per cent "don't knows." But at the same time there appears to be no great sense of envy or resentment that the grass is greener elsewhere. To the straight question: "Are you relatively content with your lot?" 81 per cent said "yes" and only 17 per cent said "no," though the "noes" were higher among the young, the people of the South-West and Wales and among the poor. In socio-economic category DE, which could be described as the poor, the percentage of those saying they were not relatively content rose to 27.

There is another perhaps more surprising finding. What used to be called the acquisitive society may be coming to an end. People were asked whether they felt the need to own more things. Only 39 per cent said "yes", while 58 per cent said "no." Here, differing patterns between age and class were to be expected. The age group 16-24 naturally wants to own more things in that it is leaving home and setting up on its own, but even among them the percentage saying "yes" to the question was only 55. The next highest figure was among Labour voters where 48 per cent said that they wanted to own more. Tory, Liberals and Centre Party supporters are much more content in these matters.

Again, as many as 62 per cent of those polled said that they were satisfied with their standard of living. Not unnaturally, a majority of the poor disagreed.

It is when the questions become overtly political, however, that the mood changes. Only 26 per cent of the sample thought that the country was well-governed, while 62 per cent said that it was not. The "noes" rose to 68 per cent among the young and to 71 per cent among the poor. In the top socio-economic group the breakdown was almost even with 44 per cent answering "yes" and 46 per cent "no." On the assumption that that group represents the elites, I should have thought that the 46 per cent "no" vote is quite worrying for the Government. Half the "establishment" appears to think that we are badly governed.

The British are relatively content with their lot . . .

Political dissatisfaction came out in other ways. For example, 68 per cent of those polled agreed with the proposition that politicians and trade union leaders do not understand men and women. Of the respondents 36 per cent agreed with it strongly and only 6 per cent strongly disagreed.

The point came out most strikingly in a series of questions comparing attitudes to various institutions. Only 16 per cent thought that politicians were in touch with ordinary people. Asked about the police, 72 per cent thought they were in touch.

Yet if the politicians are unpopular, the survey does give a pretty clear idea of what people want from them. There was a particularly revealing set of questions about cuts in government expenditure. The finding is that any government that sets about making cuts in the health service, education and spending on law and order is likely to be deeply unpopular.

On the other hand, 27 per cent of the sample said they would like to see cuts in subsidies for declining industries. The main party breakdown here was 35 per cent of Tories wanting cuts and only 18 per cent of Labour supporters. Liberal and Centre Party supporters wanting cuts in such subsidies were almost on a par with the Tories, though there was a majority in all parties against.

The most popular areas for cuts were the Civil Service (picked out by 30 per cent of the sample), the arts (picked out by 42 per cent with no significant difference between party preferences) and aid to developing countries (picked out by 45 per cent with Liberal and Centre Party supporters slightly more hostile to aid than the Tories).

The electorate, on the whole, does not appear to be very liberal. Only 20 per cent agreed with the proposition that the UK can gain a lot from immigrants, and only 6 per cent agreed strongly. The percentage disagreeing strongly was 39 and disagreeing in general 62.

There also appears to be considerable feeling against the Press and broadcasting. The statement was put that there needs to be more control of the media. As many as 65 per cent agreed, 42 per cent strongly (48 per cent among Labour supporters). Only 11 per cent strongly disagreed.

Yet if the illiberalism—against immigrants, overseas aid and the freedom of the Press—is marked, there are other less suspected traits. The electorate appears to be much "greener" than has previously been believed. The survey found people were strongly against pollution and were willing to pay to prevent it. Over 60 per cent of the sample said that they would pay more for roducts if they believed that pollution would be reduced as a result.

There is also a remarkably receptive attitude towards new technologies. The sample was asked to comment on the statement: "I welcome all technological advances." Over 40 per cent agreed with it strongly, another 28 per cent less strongly. Only 5 per cent strongly disagreed.

In other words, the survey showed the majority of those asked to be against pollution and in favour of technological progress. Seemingly paradoxical at first sight, that is not an impossible combination, even if it has been previously associated more with California than Britain.

There was one other response dtserving of political attention. The proposition was put that the trouble with this country is the divisions in the classes. Of the samples, 63 per cent agreed; 17 per cent disagreed, but not strongly, and only 18 per cent disagreed altogether.

Very many other questions were asked which have not been dealt with in this article, and no doubt even more could have been devised. But if you wanted to put the results together, I suspect that they would go something like this.

The British are relatively content with their lot, even though they recognise that people in other European countries are nowadays better off. The reactions of the young and the poor need to be watched: the young because there is some evidence that they are becoming disillusioned and the poor because there is some danger that they will come to be regarded as a submerged part of society, about which little or nothing can or should be done. The poor have no power. In time it might be different with the young.

There is also clearly a preference for smaller units. The survey shows that while most political institutions in Britain might be unpopular, there is a feeling of "the smaller, the better." There was a large majority against any of these institutions taking a greater role in running things: the European Parliament, the Westminster Parliament, the political parties, the TUC and the CBI.

When the same question was posed about the national consumer council, however, the percentage saying that it should take a greater role rose to 47. When it was asked about local district councils, the percentage rose to 67 per cent. The short answer appears to be: "Small is beautiful."

Which political party is best placed to benefit is an open question. Given the responses of the young and the poor, there is no reason to think that the Labour Party is irretrievably out in the cold. Equally, the preferences for the green and the small would suggest that the new party, perhaps plus the Liberals, is in with a chance. Perhaps the most interesting question is whether the Tories will meet the challenge by reverting to the early Thatcherite ideals of decentralisation and breaking up the big concentrations.

Malcolm Rutherford

Weekend Brief

That's the way it was last night

An era in American television ended last night—at somewhere between 7.29 and 7.30 pm —and a new war began. Walter Cronkite intoned for something like the 5,000th and last time, "And that's the way it is, Friday, March 6th, good night," and bowed out after 18 years as anchorman of the CBS evening news.

Cronkite, generally known as "Old Ironpants," has become a true institution to the American public, a sort of Robert Dougall-cum-Kenneth Kendall-cum-Richard Dimbleby squared and multiplied. Sober, avuncular, reasuring, gravel-voiced, dependable, friend of the mighty and touchstone to the humble, America somehow thought that the world could never really fall apart while Uncle Walter was around. He was, according to the polls, the most trusted man in the country.

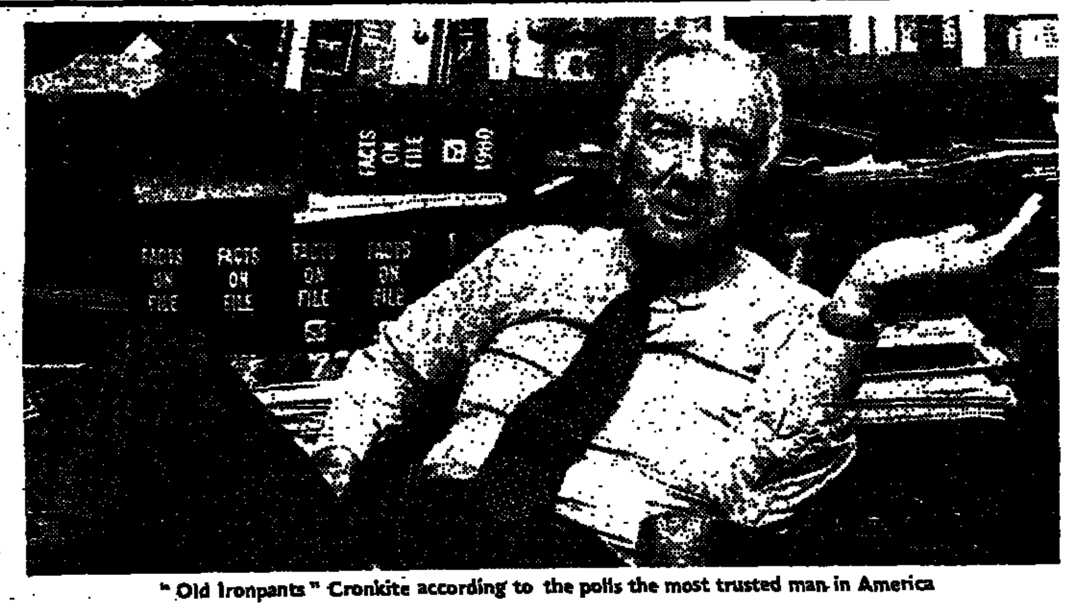
Although not, oddly enough, a naturally distinguished television reporter and more subject than most to being outmanoeuvred by some of his subjects, Cronkite possessed a fine understanding of the power and importance of television to inform and enlighten. He freely concedes that his biggest professional disappointment was his failure to persuade his network bosses to expand the evening news to longer than half an hour, in reality only about 23 minutes, given commercial interruptions. Yet it was he who launched the first regular nightly news programme that reached from coast to coast.

And, of course, he had seen it all — from the assassination of JFK to the return of the hostages, from Vietnam to the Middle East, through countless political conventions (only last summer in Detroit he played what turned out to be a critical intermediary role when Gerald Ford told him in a live TV interview his price for agreeing to run with Ronald Reagan).

Throughout it all Cronkite rarely let his own political inclinations seep into the open. Kennedy reportedly thought he was a Democrat, Nixon believed he was a Republican and last year John Anderson wanted him to run as an independent. He leaves with his integrity intact.

He is to be replaced by Dan Rather, who is very much the antithesis of Cronkite — which explains why a war between the networks is about to begin. CBS's competitors, NBC and ABC, both planned extensive tributes to Cronkite last night. Their affection is genuine enough but their purpose was very much to remind viewers that Cronkite had departed and that public loyalty to him might just be transferred to their own news programmes.

Certainly they believe that Dan Rather is vulnerable in the ratings game. He is dark, lean and combative, as exemplified by his celebrated televised confrontation with Richard Nixon some years ago.



"Old Ironpants" Cronkite according to the polls the most trusted man in America

"Are you running for office, Mr. Rather," Nixon had waspishly retorted after a typically aggressive Rather question. "No, Mr. President," he replied unabashed, "are you?"

Dan Rather is going to be running for his life from now on in the ratings game.

Labour honours its champion

Ernest Bevin, who was born a hundred years ago today, was a man of Churchillian dimensions whose example is still felt in the Labour movement.

The centenary of his birth is being celebrated by trade union and Labour Party leaders with a kind of self-critical nostalgia for a man strong and ruthless enough to bury political disagreement and to force politicians and employers to improve the lot of the workers.

It was as a trade union organiser and as war-time Minister of Labour that the union he founded in 1922, the Transport and General Workers Union, remembered him yesterday at a reception in London.

On either side of the platform containing four general secretaries of the union, the leader of the Labour Party and the general secretary of the TUC, stood symbols of Bevin's almost superhuman career: a picture of the 39-year-old trade unionist who became known as "the dockers' KC" for his devastating performance at the 1920 court of inquiry into dockers wages, and a facsimile of his tract "My Plan for 2,000,000 workless."

Bevin's life has been recorded again—in a short profile commissioned and published by the TGWU* and in a television film by Westward TV to be shown on March 17. Both are respectful portraits which perhaps underplay the criticism that Bevin's intolerance attracted: his prosecution of dissidents within the union, his misreading of the miners and his anti-Communism, for example.

Bevin was the illegitimate son of a Somerset widow. He never learned a trade and at the age of 30 was still driving a horse and cart, delivering ginger beer to the well-heeled of Bristol. He died in 1951 recognised as one of the architects of NATO, the guiding hand in the Marshall Plan for post-war reconstruction, as the man who mobilised the British for war and war production, who gave political force to trade union demands for better wages, better conditions and shorter hours, who established the TUC general council and who sponsored a national daily paper sympathetic to the labour movement.

Yesterday Mr. Michael Foot credited Bevin with the foresight to predict the coming importance of the politics of oil—the product, he said, of a "ruminating imagination."

In a memorial lecture on Thursday night, Mr. Jack Jones said that Bevin's skills as an organiser and negotiator deserved to be recalled. "Employers in some cases are casting discretion to the winds to try and regain the sort of power their forerunners had when Bevin commenced his fight against them.

"In this situation I think Bevin would have this message for the unions: 'Re-group your forces, find a new and stronger unity, stop the bickering and launch a mighty programme for solving the unemployment problem in terms which working people understand. If they understand what you are trying to do, they will back you'."

There are moves afoot to grant Bevin the final accolade of a statue at the Palace of Westminster where he can rejoin his war-time Cabinet colleague and former adversary, Winston Churchill.

*Ernest Bevin: unskilled labourer and world statesman; by Mark Stephens, published by TGWU, 95p.

Booze and the Budget

To a man, it seems, the nation's wine merchants were early to bed last night. Preparing for what may well be the busiest Saturday of the year, bar one. Today is the last Saturday before the Budget: last chance to stock up the cellar or fill that odd hole in the kitchen wine rack before Sir Geoffrey does something horrid to wine prices on Tuesday afternoon.

Rumours in the wine trade currently range from an optimistic nothing at all (he ought to lower the duty to bring us in line with the EEC, said the man at Harrods) through the traditional ten pence per bottle school, to an awesome and awful possibility of 25 per cent VAT on luxury items. Like most people in the wine trade, I do not consider wine to be a luxury —but there is a chance that Sir Geoffrey might (despite the fact that in this space two years ago he was quoted as expressing a strong partiality for Muscadet).

My local wine merchants, La Reserve of Knightsbridge, say that last Saturday's trading was as good as in any early December and they expect today's business to be almost equal to the Saturday before Christmas. "Last Saturday was absolutely frantic—people who normally buy only one bottle were rushing in to order several cases. They are all convinced something awful is going to happen in the Budget, though when you ask them no-one is sure quite what," said La Reserve's James Forbes.

Private Bin, the City mail order wine company, says it has been deluged by customers who want to order, over the phone, by credit card, wine and champagne before the prices change on Tuesday. "We've had hundreds of calls from people who want to place their orders before the tenth. They don't seem to mind when it's delivered—just as long as they get the order in before the Budget. Interestingly there has been much more interest in our more expensive wines than in our house wines. The number of people phoning in to order champagne at £80 a case has staggered us," said a Private Bin spokesman.

Victoria Wines, with outlets all over London and the home counties, did suggest to its staff that they might try to get an early night on Friday to be ready for the onslaught of eager buyers today. "It's always busy pre-budget but this Saturday looks like being much worse," said Victoria spokeswoman Edna Kearns. "Normally we have a big pre-Budget run on spirits but this year's run has been on wines, and especially on champagnes. Last Christmas we had our biggest rush ever on champagne but this week could break even that. What we feel is really going to affect champagne sales today, Monday and Tuesday—we are usually busy on Budget Tuesday right up until the moment the Chancellor stands up—is the Royal wedding. People are buying their July wedding toasts at pre-budget prices."

The news—Bristol fashion

Echoes of the newspaper battles of half a century ago are being heard again in Bristol, and one of the disappointed suitors in the recent engagement over the future of The Times, Lord Rothermere's Associated Newspapers is also a leading figure in the Bristol skirmish as was its provincial chain 50 years ago when Bristol was the scene of one of the fiercest of the costly wars that hastened the death of many independent local newspapers.

Lord Kemsley and Rothermere then turned Newcastle, Bristol and Derby into their particular private battlegrounds, locking horns regardless of the money involved (Lord Camrose estimated that Rothermere's Newcastle venture alone cost more than £1m).

Rothermere, brother of Northcliffe, brought his Evening World to Bristol on October 1, 1929. "From now on," he told the surprised readership, "the interests of the West Country and of the Bristol Evening World are one and indivisible. Each will benefit directly from the prosperity of the other . . ."

It was an impressive launch with a paper packed with syndicated celebrities — Edgar Wallace, E. Phillips Oppenheim, and with Bernard Shaw and Conan Doyle promised later in the week. Local interests however were not to be entirely swamped. "Lady Blanche Douglas, a sister of the Duke of Beaufort . . . will contribute three times a week . . . from the standpoint of a West Country woman."

When the Evening World opened there were already two other evening papers ("second rate publications, thoroughly inefficient and unattractive," said Rothermere) and two morning papers. By 1932, with recession and fierce competition taking toll, only the morning Western Daily Press (WDP) and the Evening World survived in Bristol. The Kemsley interest had withdrawn from Derby and Bristol and Rothermere from Newcastle.

But that was when the citizens of Bristol decided that Rothermere should not enjoy his triumph unopposed. Within 10 weeks of the World's remaining evening rivals going under, the locally owned and supported Evening Post was published under the slogan (which it still carries): "The paper all Bristol asked for and helped to create." The two continued in competition until the last major round of regional paper casualties 20-odd years ago when the World ceased publication.

Hence the irony, not lost on many older Bristolians of the current Rothermere attempt to claim the surviving Evening Post and its bustling morning companion, the WDP, 20 years on. Associated Newspapers' offer for Bristol Evening Post Limited is opposed by the Post's Board as not being in the best interests of the company. Associated already owns 23.8 per cent of the Post shares and has asked for an extraordinary meeting of shareholders at which Associated will seek to vary an existing agreement limiting its present shareholding. The request for the meeting has been granted and it will be next Tuesday.

There may no longer be the social context or local appetite for a struggle similar to those of 50 years ago, and if the present Lord Rothermere wins the day he could well reflect on Feste's words in Twelfth Night: "Thus the whirligig of time brings in his revenges." But a few long-dead Bristol bones would stir uneasily in their graves.

Contributors
Jurek Martin
Christian Tyler
Robyn Willson
Ian Guard

Economic Diary

MONDAY: One-day national strike by civil servants. Two-day meeting of European Central Bankers opens, Basle. Two-day meeting of EEC Fisheries Ministers begins, Brussels. European Parliament in session, Strasbourg. Mr. James Callaghan, MP, addresses Cardiff Business Club, Royal Hotel, Cardiff.

TUESDAY: BUDGET DAY. UK banks' eligible liabilities, reserve assets, reserve ratios and special deposits (mid-February). London clearing banks' monthly statement (mid-February). Central Government transactions (including borrowing requirement) (February). Construction output (fourth quarter). Wholesale price index (February provisional). Hire purchase and other instalment credit business (January). President Reagan begins two-day visit to Ottawa. Two-day Financial Times conference "Tomorrow's Technology" opens, Gloucester. Lecture by Sir John Hill, chairman, UK Atomic Energy Authority, Merchants Hall, Glasgow.

WEDNESDAY: Ministers, NUM and NCB in talks on coal industry, Millbank, London. Statement by Sir Raymond Pennock, CBI president, Hotel Piccadilly, Manchester. Mr. Nicholas Goodison, Stock Exchange chairman, gives Lent lecture on The City, St. Lawrence Jewry-next-Guildhall, Gresham Street, London. Domestic Coal Consumers Council annual report.

THURSDAY: Publication of Wales TUC document "The Social Plan—A Bargain." Lord George-Brown at American Chamber of Commerce lunch, Savoy Hotel, London.

FRIDAY: Building Societies monthly figures (February). Usable steel production (February). Mr. Michael Foot attends Labour Party meeting, Guildhall, Preston.

UK COMPANY NEWS

Rentokil slips and misses forecast

SECOND-HALF pre-tax profits of Rentokil fell by £1.05m to £6.16m and, against a mid-term forecast of a strong full year advance, this left the result for 1980 some £0.27m lower at £12.76m.

With the interim figures, when an improvement from £5.81m to £6.6m was reported, the directors said the year's profits would be well up on those for 1979, save only for the effect of any further strengthening of sterling.

They now say that after a promising start, and as the recession developed, profits became harder to earn than they expected at halfway.

UK profits increased by 2.3 per cent to £9.45m (£9.24m), though the trading climate was difficult and margins were squeezed. Many of the overseas subsidiaries also suffered from recession and profits fell to £3.3m (£3.78m). At constant exchange rates profits would have been £441,000 higher.

After lower tax of £5.43m (£6.11m), group earnings per 10p share rose to 7.76p (7.29p) and the net total dividend is stepped up to 2.55p (2.25p) with a final payment of 1.6p.

Group sales expanded by 12.1 per cent to £82.1m (£73.21m), with UK companies contributing £49.07m (£42.1m) and overseas £33.03m (£31.1m).

There were minority profits this time of £22,000, compared with losses of £2,000. Dividends absorbed £2.43m against £2.14m and the amount retained advanced from £4.78m to £4.87m.

On a CCA basis the fall in taxable profits was from £10.25m to £9.42m. Net exchange differences of £1.27m (£1.19m) on the translation into sterling of net assets overseas have been carried direct to reserves.

Rentokil specialises in timber preservation, pest control, damp proofing, thermal insulation and industrial hygiene. It is a subsidiary of the Danish company Sophus Berendsen.

See Lex

Carlton down to £12m and second offer by Hawker

WITH THE contribution from its lead acid batteries side £4m lower, pre-tax profits of Carlton Industries dropped from £16.95m to £12.24m for 1980, on reduced sales of £107.98m, against £112.69m. At half-time, the company, which is controlled by Hawker Siddeley, reported a fall in taxable surplus from £7.85m to £6.04m.

In accordance with an agreement made in April 1978, a price of 278p xd has been certified at which Hawker Siddeley is to make a second offer for Carlton. Hawker Siddeley has indicated that offer documents will be circulated to shareholders towards the end of this month.

A divisional split of sales and profits shows (in £000s): lead acid batteries £74,882 (£79,969) and £9,073 (£13,103); whisky £24,637 (£24,358) and £5,506 (£5,083) and other activities £8,463 (£8,360) and £124 (£192) including holding company overheads.

Share of profits of the associated company, Comben Group, increased from £2.38m to £2.74m, but group pre-tax profits were struck after higher interest charges of £5.2m (£3.81m).

Based on the actual tax charge of £1.47m (£1.93m) earnings per 25p share dropped from 53.1p to 36.6p, while on a notional 52 per cent charge earnings fell from 28.8p to 20p. A same-again final of 8p net, however, maintains the total payout at 12p. Dividends absorb £3.28m (£3.22m).

On a current cost basis, pre-tax profits for the year were £9.92m and earnings per share came out at 29.6p.

● comment

The interim pattern with depressed earnings from the key lead acid batteries division accounting for the collapse in Carlton's profits was repeated in the second half. For the year trading profits from batteries fell by about a third and there is no sign of any upturn to brighter the current gloom. The worst effect of this collapse was offset by a 10 per cent rise in contributions from the smaller whisky and housebuilding divisions. Despite the setback, capital spending has continued at a fairly cracking pace. Part of this year's £7m expenditure has been financed by borrowings, which have risen by about 17 per cent over the year from £29m to £34m. The shares were 262p ahead of yesterday's announcement fixing the price of Hawker Siddeley's bid for the 23 per cent minority not held by LMS at 278p. On the basis of the bid price, the shares yield 6 per cent add the fully taxed p/e is almost 14.

Telefusion reverses profit decline

PROFIT before tax of Telefusion rose from £907,000 to £955,000 for half year to October 31, 1980, on turnover, excluding VAT, reduced from £37.68m to £35.2m—and the directors have declared a same again interim dividend of 0.67p per 5p share.

After tax of £405,000 (£62,000) and extraordinary items of £11,000 (£24,000), stated earnings per share of this television and radio retail and renting company emerged at 1.18p (1.82p).

Mr. J. N. Wilkinson, chairman, says that profit for the first half is stated after allowing for the cost of economy measures. The company has been successful in reversing the decline in profit experience in the previous six months, he adds.

The ultimate cost of writing off the minority interest in Fieth Limited will be in the region of £600,000, as previously reported and will be treated as an extraordinary item in the second half.

Trading since the half year end has been satisfactory, with profits being assisted by the elimination of direct losses in the Trident retail division, Mr. Wilkinson says.

Interim dividends will absorb £307,526 he states.

An analysis of turnover for the half year shows: retail £21.54m (£23.96m); rental £12.31m (£11.96m); manufacturing £606,000 (£1.13m); other £736,000 (£637,000).

And income is made up as follows: trading profit £5.84m (£6.2m); rent received £94,000 (£127,000); interest received £139,000 (£66,000); income from investments £16,000 (£21,000).

Interest paid increased in the half year to £1.04m (£810,000), and the charge for depreciation stood at £3.8m (£3.75m).

● comment

Having disposed of most of its loss-making manufacturing operations last year, Telefusion seems now to be making some headway at its troubled Trident discount retailing business. An expensive central distribution system has been eliminated and the 100-branch chain might break even in the second half. Its losses on the year after closure costs will be about £1m compared to £2.5m last year and, even without an upturn in trading, it should begin to make a contribution next year. Telefusion's rental business has been static on the whole, with growth in video-cassette rentals making up for a decline in TV following the 7 per cent rate increase last year. The group looks set to make pre-tax profit of close to £3m in the current year and could contemplate an increase in the final dividend. The shares were up 1p yesterday to 34p where the prospective fully taxed p/e is about 12 and the yield is just above 6 per cent.

Greenfields Leisure hit by interest

ALTHOUGH TRADING profits of Greenfields Leisure showed only a slight reduction from £1.9m to £1.75m, high interest charges and increased depreciation meant that taxable surplus slumped from £1.05m to £14,000 for the year ended October 31, 1980. And at the pre-tax level, the retail and wholesale leisure and camping group made a second-half loss of £430,000, against profit of £610,000.

But the directors are more cheerful about prospects for current year and are recommending a same-again final dividend of 1.31p net, making an unchanged total of 2.15p per 10p share.

They say however, that the first half will be difficult. They do not anticipate an immediate profit revival, but look forward to a brighter second six months, with continuing improvement next year.

Stringent steps to cut overheads are now taking effect. Stocks have been reduced, bank borrowings are coming down, margins are being restored, and numbers employed have been slimmed. In addition, the directors hope to complete property transactions which will augment profits substantially in the current year.

Turnover for the year increased from £16.59m to £18.4m, while the pre-tax profit was after much higher interest of £1.08m (£0.45m).

U.S. trust plans rights issue

International Income Property, the U.S. property trust in which Imperial Chemical Industries Pension Fund is a major shareholder, is proposing a one-for-one rights issue in April.

Mr. Gerardus Dusseldorp, chairman of IIP, said yesterday the new shares would be offered on a prospectus basis and the issue is expected to raise about $18m.

About one-third of the trust's equity is held in the UK, with the remainder in America and Australia.

Heywood Williams plunges to 8-month loss

Heywood Williams Group plunged to a loss before tax of £149,000 in the eight months to end-December 1980, compared with a £1.04m profit for the year to April 30, 1980. Higher borrowing resulted in an increased interest payment of £659,000, against £604,000.

UK operating profit dropped to £609,000, against £1.7m for the previous year.

The main reason for the downturn was the heavy loss in its aluminium extrusion business. Also operating losses in its U.S. restaurant activities amounted to £99,000, against £58,000 for the previous 12 months.

No dividend is recommended. In the year to April 30, 1980, a total net dividend of 4.9p was paid.

Eliminating loss-making operations in the U.S. resulted in an extraordinary charge of £394,000. The cost of UK closures amounted to £182,000. In addition, losses on foreign currency movements amounted to £73,000.

After a small taxation charge and payment of preference share dividend, the total deficit for the period was £805,000 (£105,000 profit in the year to April 30, 1980).

The group is now substantially disengaged from U.S. activities and management will concentrate exclusively on UK operations.

It aims to support and develop successful activities in windows, glass and patent glazing and to maintain the aluminium extrusion business in readiness for an upturn in demand.

Group involvement in other activities is being reduced in order to achieve a significant fall in the level of borrowing.

High interest rates and the recession make the prospects for 1981 uncertain at this stage but the directors are confident the group will emerge from the present difficult conditions in better shape than many of its competitors.

BMK deeper in the red

SEVERE TRADING conditions, with home sales affected by the recession and exports hit by the strong pound, have pushed Blackwood, Morton and Sons (Holdings) further into the red at halfway. For the period to December 31, 1980, pre-tax losses of this carpet, felt and towel manufacturer increased to £1.34m, against £0.48m last time, on turnover down from £10.92m to £8.87m.

Since halftime, sales have continued to be difficult and a further, although reduced, loss is anticipated in the second six months. Thereafter, with the benefits of cost savings being made an improvement in trading results is expected.

For the year ended June 30, 1980, the company made a loss before tax of £1.16m.

Initial savings have been effected by the closure of the factory at Liversedge, Yorkshire, but in the absence of any early upturn in trade, further operating cost savings will be needed.

Ault & Wiborg Group cuts dividend after sharp fall

Pre-tax profits of Ault and Wiborg, paint, chemicals and printing inks manufacturer, fell sharply from £3.3m to £1.18m for 1980, after increased interest payments of £1.31m, against £455,000.

Mid-term figures showed a drop at pre-tax level from £1.29m to £978,000.

The final dividend is cut to 1.05p (1.55p), bringing the total for the year to 1.80p (2.30p). Earnings per 25p share fell from 17.88p to 5.59p.

Tax took £76,000 against a credit last time of £313,000. Turnover for the year was ahead at £53.36m, against £46.89m in 1979.

A charge of £300,000 for redundancy costs was made against trading profits.

The group says the level of trading deteriorated considerably in the second half of 1980 and there has been no improvement in the early months of 1981.

● comment

After a disappointing first six months, second half profits at Ault and Wiborg have slumped to a miserable £197,000. Hopes of a recovery at the midway stage proved to be wide of the mark and it would take a brave man to draw much comfort from the gloomy outlook. Traditionally inks account for roughly half the company's business but persistent destocking in the last few months have cut this contribution considerably below 50 per cent. The paints side has been less badly affected, although well down on 1979, while chemicals have been mixed. Destocking may be over now but demand is still low and like other ink manufacturers Ault and Wiborg is unable to pass on increasing costs to customers. The high interest charge, compounded by the cost of financing two acquisitions, will obviously be relieved by a fall in MLR. But with gearing almost doubled over the year at 50 per cent, the belt will have to be tightened for some time yet. The shares, down 3p at 32p, stand on a fully taxed p/e of almost 11 and yield 8.3 per cent on the cut dividend.

Dewhurst Dent

Adverse trading conditions and the costs of contracting its textile interests, combined to leave Dewhurst Dent with a pre-tax loss of £1.34m for the year to July 19, 1980, against profit of £532,635 previously.

As a result, the company, whose other main interests are in glove manufacture and general warehousing, is omitting the dividend. The payment last time was 0.3p net. Loss per 20p share was 9.31p (5.27p earnings).

Since the year end, trading in textiles has not improved, and the discontinuing loss making operations, where future growth cannot be seen.

Additional changes have, therefore, proved necessary. These will be completed by the end of the current financial year and will result in a further reduction of workforce and expenses.

Turnover for 1979-80 dropped from £21.96m to £20.01m.

Concern over Norton Warburg 'silence'

SILENCE ON the part of Norton Warburg Management Investments about "missing" cash estimated at around £2.5m is causing great concern to investors, Mr. Michael Lyndon-Stanford QC said in the High Court in London yesterday.

Mr. Lyndon-Stanford, acting for over 40 investors — mainly retired people and pensioners — told Mr. Justice Dillon that "recently obtained" evidence showed that the money had got into the hands of six or eight Norton Warburg associated companies.

According to the company's statement of affairs, a "so-called" loan of £2.9m had been made to the parent company, Norton Warburg Holdings, in clear breach of an agreement with investors that their shares and cash would be lodged with a Lloyds Bank nominee company or a "nominee of similar standing," said counsel.

Mr. Lyndon-Stanford said it was possible that the money might have gone "even further astray" and possibly even into the hands of directors.

"My clients are uneasy that the cash is being dissipated and may be leaving the country," he said. "They don't know where their money is or what is being done with it. They regard it as vital to establish at an early date where all this money has gone to."

The judge refused an application by Mr. Lyndon-Stanford for a temporary injunction requiring Norton Warburg Management Investments to provide "as much information as reasonably possible" as to what has become of the investors' cash. He said he would be reluctant to make a mandatory order in such "nebulous" terms which might lead to subsequent commital proceedings.

Mr. Lyndon-Stanford's application had been supported by a further 20 investors represented by Mr. David Oliver.

While refusing to make an order against the company, the judge said it would be "helpful" if any information they had obtained for the purposes of a creditors' meeting to be held next Tuesday were "forthcoming."

The investors' application for the appointment of a receiver and manager was adjourned by consent to next Thursday. The company agreed to allow the investors' accountant to inspect details of shareholdings held by the Lloyds nominee company, as well as the company's own books and documents.

The company is to be allowed to complete the sale of five sets of named shares which had been blocked by a court injunction against disposal of shares.

SPAIN

March 6	Price %	+ or −
Banco Bilbao	283	+3
Banco Central	320	
Banco Exterior	258	−2
Banco Hispano	267	+3
Banco Ind. Cat.	126	
Banco Madrid	141	
Banco Santander	321	−2
Banco Urquijo	183	−2
Banco Vizcaya	305	
Banco Zaragoza	229	
Dragados	140	+5
Espanola Zinc	74	
Fecsa	57.7	−0.3
Gal. Preciados	32.5	
Hidrola	64.7	−0.3
Iberduero	57.7	+0.7
Petroleos	89	
Petroliber	70	
Sogefisa	89	−2
Telefonica	61	−0.5
Union Elect.	64.5	+0.5

DIVIDENDS ANNOUNCED

	Current payment	Date of payment	Corresponding div.	Total for year	Total last year
Ault and Wiborg Group	1.05	June 5	1.55	1.80	2.30
Beradin Rubber ... int.	0.35	March 31	0.36*	—	0.76*
Carlton Inds.	8	May 21	8	12	12
Courtney Pope ... int.	1.2	May 18	1.2	—	2.4
Dewhurst Dent	Nil	—	0.3	Nil	0.3
Greenfields Leisure	1.31	—	1.31	2.15	2.15
Heywood Williams	Nil	—	2.8	Nil‡	4.9§
George Oliver (F'wear)	3.3	—	3	4.4	4
Rentokil	1.6	May 6	1.4	2.55	2.25
Telefusion ... int.	0.67	April 20	0.67	—	1.5

Dividends shown pence per share net except where otherwise stated.

* Equivalent after al... † On capital increased by rights and/... § For 12 months.

BIDS AND DEALS

Talks on U.S. bid for NCC Energy

BY CHRISTINE MOIR

MR. GRAHAM FERGUSON Lacey arrived back in London yesterday and said he had begun discussions which might lead to a bid for NCC Energy (formerly National Carbonising) from United Nuclear Corporation, a U.S. uranium extraction company.

No "specific offer" has yet been made. Shareholders are advised to hold their shares until Mr. Ferguson Lacey, chairman and largest shareholder writes to them again. He and fellow board directors now control just over 50 per cent of NCC.

UNC, quoted on the New York Stock Exchange, has a current market capitalisaiton of $145m (£66m) on a share price of $13.50.

This makes it not much bigger than NCC itself in market terms. After yesterday's news NCC's shares rose 28p to 118p putting a value of £38.4m on the company.

UNC is currently involved in talks with the management of Western Airlines in the U.S., itself proposing a merger with Continental Airlines. Before the airline merger talks, UNC had offered between $114m and $212m for Western.

The talks have not been called off so far in spite of Western's decision to press ahead with the airline merger.

UNC's chairman, Mr. Keith Cunningham, a former vice-chairman of accountants Touche Ross, has made no secret of his desire to diversify out of the uranium-nuclear sector which has recently given the company serious problems.

For the year to March 1980, UNC announced net losses of $34.2m after a $36m write-off on closing a uranium extraction plant in Florida. It also lost 16 weeks production in New Mexico after a 10m gallon leak of material described as "mildly radioactive." Extraction costs have also been rising inexorably.

In the nine months to December, 1980, UNC's results showed a recovery to $9.2m net.

NCC has been restructured as an energy exploration and investment company since Mr. Ferguson Lacey took over in 1979, when its main asset was a significant holding in LASMO the North Sea oil company. This was sold and the proceeds used to finance a series of acquisitions, joint ventures and service arrangements in energy, mostly in the U.S. and Canada.

In November, Mr. Ferguson Lacey injected into NCC Bernard Wardle, a loss-making plastics company which he had taken over some time earlier, and Energy Capital, the former Hamilborne Brick Company, also controlled by him. As a result Mr. Ferguson Lacey's interest in NCC rose from 26.9 per cent to just under 43 per cent.

Takeover battle for Bond Street Fabrics

BY REG VAUGHAN

A BID BATTLE loomed yesterday as Grovebell, the Vauxhall and Bedford dealer which was involved in a bitter boardroom feud with Bond Street Fabrics last summer, launched a full takeover offer for the knitwear manufacturer in which it already has a 28.9 per cent stake.

Not unexpectedly, Bond Street responded quickly with an outright rejection of the bid. At the same time, the company announced that talks "were at an advanced stage with another textile group which could lead to a recommended offer at a significantly higher price."

Grovebell is offering 15p cash plus two of its own shares for each Bond Street share. At yesterday's closing price of 6½p (down ½p) for Grovebell, the offer values each Bond Street share at 28p and the whole of the equity at £758,000. Bond Street shares jumped 4p to 30p on the news yesterday.

Bremar Holdings will offer to purchase at 5p each the new Grovebell shares to which accepting holders become entitled.

Mr. Kenneth Gardner, a director of Grovebell (in which Mr. Vasant Advani's private Sonesta Investment company has a 72.2 per cent holding) said yesterday Grovebell "wanted to get closer" to Bond Street.

"We decided we had something to contribute" and a full bid "was the only way out." He said that apart from courtesy calls there had been no contact between the two companies for some time.

In a strongly worded statement put out by Morgan Grenfell and Co., Bond Street's advisers, the board said the offer is "unsolicited and wholly unwelcome."

The board said the offer "lacks any commercial, industrial or any other logic and is against the interests of the shareholders and employees of Bond Street."

"In particular, taking account of Bond Street's recovery potential and asset backing," the board said it considers the offer "substantially undervalues the share capital" of the company. Shareholders are advised to take no action and not to dispose of their shares.

It is understood that talks with the textile group had been going on. Bond Street had been looking for a complementary business to link with since it closed its Leicester operation at the beginning of the year, with the loss of about 150 jobs. The company felt its remaining Scottish operation was too small for a public company.

Last July, the two companies were engaged in a battle of words during Mr. Advani's attempts to have five additional directors, including himself, appointed to the Bond Street board. At an EGM in July, the proposals were defeated with 52 per cent of the votes cast against the resolutions.

At the same time, the Takeover Panel was examining the ownership of certain nominee holdings in the company to establish whether Grovebell had any beneficial interest in them.

Later that year, the Department of Trade acted to freeze block of shares in the company because it had been unable to identify the true owners. The DoT placed a number of restrictions on a holding in the company representing 4.4 per cent of the capital registered in the name of National Westminster Guernsey Trust Company.

The DoT yesterday confirmed the restriction on the block shares was still in force. It did not affect the current bid.

Grovebell, which reported loss of £0.4m for the six months ended May 31, 1980, made £602,000 rights issue at the end of last year which the chairman was quoted as saying was "rescue operation to put the company back on its feet again." The rights was subscribed as to 3 per cent with the balance being taken up by Sonesta.

Bond Street last month announced a small profit of £5,0.. for the year ended September 30, 1980. But after closure costs, there was a net loss of £682,534. With the elimination of loss-making activities, the company was able to pay a final dividend of 1p making 2p (nil).

Sumatra advises on Harrisons offer

SHAREHOLDERS in London Sumatra, the plantations group which has received an offer from Harrisons and Crosfield, have been advised that the Harrisons share offer should be accepted by those shareholders who wish an increase in income "and the additional security of participation in a more broadly based group."

But the London Sumatra board cautions that the share offer should not be accepted by shareholders who are content as minority holders to maintain an investment concentrated mainly in Indonesia in the hope of long-term rewards from the further development of the estates.

It adds that the cash offer currently below the market price should not be accepted as it is of the company's shares.

Explaining the background to the offer, the board says that "many shareholders will remember the offer of 150p per share made on behalf of McLeod-Sipef in 1978.

"The members of the consortium which promoted the offer by McLeod-Sipef were at that time and still are substantial shaeholders in the company."

"These shareholders have approached Harrisons and Crosfield with a view to selling their shares. The vendor shareholders own a total of 20.37 per cent of the issued share capital.

"They are accepting the cash offer which values each share in the company at 336.36p, approximately the middle market quotation at the date agreement was reached with Harrisons and Crosfield.

"However, the vendor shareholders' involvement with the company has been unique and their reasons for accepting the cash offer are not necessarily relevant for other shareholders."

The board has estimated that group pre-tax profits for the year ending December 31, 1980 will be about £9.1m compared with £9.8 achieved in the previous year. A final dividend of 6p per shae is expected, making a total distribution for 1980 of 8p per share.

"The increase in crops did not fully compensate for higher production costs and declining world selling prices which as the year progressed, reduced margins on palm oil," says London Sumatra. "However, the incidence of tax in Indonesia was materially lower as the group was able to take advantage of increased capital allowances. As a result, earnings per share for 1980 should not be materially different from the published figure for 1979.

"Trading conditions experienced so far in 1981 indicate a continuation of the trends experienced in the latter part of the previous year."

According to London Sumatra Harrisons intends to extend the share offer — of 463 Harrisons shares in return for 1,000 shares in London Sumatra—for a period of at least 14 days beyond the first closing date of March 12 1981. The cash offer will close on March 12, 1981 as already announced.

Assuming the offers become unconditional Harrisons and Crosfield and its subsidiaries will own a minimum of 66.95 per cent of the issued share capital of London Sumatra.

The board of London Sumatra does not believe that shareholders would suffer from being a substantial minority in a subsidiary of Harrisons and Crosfield.

Crest buys four West German hotels

CREST HOTELS, the Bass subsidiary, has completed its £9m deal for control of the West German Hollstein Hotels organisation.

It is now seeking further acquisitions. "There are still gaps that we are trying to fill," said Crest last night.

The West German deal brings Crest's total number of hotels to 112 with another five, all in the UK, under construction.

Crest is now second only to Trusthouse Forte in the British hotel company league table although there is some dispute over how this should be measured—by number of hotels, rooms or turnover.

There is little doubt Crest is the fastest growing UK company in continental Europe. It has 16 hotels in the Netherlands, 16 in West Germany, three in Belgium and two in Italy.

"Our long-term plan is to buy properties wherever we feel we can do business," said Crest.

Crest purchased the Esso hotels in the early seventies and acquired Centre Hotels as a result of the Bass purchase of Coral Leisure.

The company was originally created out of rationalisation of the Bass hotel and inn interests.

Hollstein Hotels, a privately owned company, has four hotels in West Germany.

Moray & Nairn approached

Moray and Nairn Newspaper Company said an approach had been made by Peter Press which might lead to an offer being made for the whole of the issued share capital of the company.

If and when an offer is made, the Board said it would write to shareholders. It advised them not to dispose of their holdings at the moment.

Results due next week

The downstream businesses of Royal Dutch/Shell and BP, particularly chemicals, suffered worsening trading conditions through 1980 while production continued to be highly profitable. Both companies are reporting preliminary results on Thursday. Shell's net income available for the group may be £2.3bn compared with £3.05bn in 1979 and BP could report £1.35bn compared to £1.6bn. However, these figures — especially those for 1979 — contain substantial amounts of stock profits and the underlying trend for both companies appears to show little change. Some nervousness developed this week about the Shell Transport dividend following the cut by Unilever but Shell is expected to hold the sterling dividend rather than follow Unilever's lead. BP should raise its final dividend slightly.

The yield on the Tube Investments dividend is nearly 19 per cent which suggests that TI is probably about to become the seventh company in the FT 30-share Index to cut its dividend in the past three years when preliminary results are reported on Wednesday. Group profit was down 20 per cent at the interim stage and trading conditions continued to deteriorate in the second half. The pre-tax figure for the full year may be slightly less than half the £52.2m earned in 1979, and could include £5m or more in redundancy charges. Destocking may be over or nearly over in domestic appliances, cycles and specialist engineering products but the directors are likely to be cautious about the near-term outlook.

Estimates of BTR's preliminary profit due next Thursday are almost all at the £65m level against last year's £57.2m. UK operations are markedly depressed and may account for less than half of group earnings. In contrast contributions from overseas, particularly Australia and South Africa are well up, and the effect may be enough to produce a slightly better group result than the analysts expect.

Turner and Newall's preliminary profit, which is to be published on Wednesday, will be somewhat lower than the £27.5m made in 1979 but the decline will appear less severe than the underlying trend because of a first-time contribution of perhaps £12m from Zimbabwe. The UK operations, from motor components to building materials and plastics, are all in a bad way and the only solace will be in a slightly improved balance sheet as a result of the disposals of the insulation materials business and various Canadian interests last year. The directors cut the interim dividend by a third and may now wish they had cut it further. The final seems likely to be cut more severely, if not passed.

At the interim stage the chairman of United Biscuits said he expected profits before tax for the year to exceed that of 1979. In the event, it looks as if it will have been a close run thing. The figures are to be published on Thursday and analysts have pared their original estimates of pre-tax profits for the year in the region of £50m down to around £45m as against last year's £43.6m. Despite further erosion of market share in the UK biscuit sector, some recovery in margins should have helped to mitigate the effect of this on earnings. Frozen foods probably remain in the red. Progress from Keebler and Speciality Brands in the U.S. will probably translate into a repeat of last year's earnings in sterling terms but have been boosted by a first time contribution from Pie Crust.

Preliminary figures due from Woolworth on Wednesday will show a sluggish annual performance but analysts have been upgrading their estimates after news of higher Christmas sales. Estimates for full-year pre-tax profits range from £35m to £40m against £57.3m the previous year, indicating some recovery after a third quarter which was little short of disastrous with profits collapsing from £23.2m to £7.1m. Opinion remains divided on whether Woolworth will maintain the final dividend or pare it by around 10 per cent. After a week which has witnessed the dividend cut for UK shareholders of Unilever, the pessimists on the dividend front appear to outnumber their fraternal optimists.

Other results due next week include preliminary figures from Ultramar and British Aluminium on Wednesday and from Britannic Assurance and Refuge Assurance on Thursday.

Company	Announcement due	Dividend (p)* Last year Int.	Last year Final	This year Int.
FINAL DIVIDENDS				
Britannic Assurance	Thursday	4.55	7.35	4.9
British Aluminium	Wednesday	5.5	8.0	5.5
British Petroleum	Thursday	5.5	12.0	6.25
BTR	Thursday	4.125	4.5	5.25
Clay (Richard)	Thursday	1.6	1.9	1.6
Collins (Wm.) & Sons	Wednesday	—	—	—
Corah	Thursday	1.25	1.65	1.25
Davies & Metcalfe	Thursday	0.45	0.89	0.45
Farmer (S. W.) Group	Monday	3.069	6.1	3.069
Habit Precision Engineering	Thursday	0.55	0.55	0.55
Merchants Trust	Monday	1.5	2.25	1.75
Needlers	Thursday	—	2.5	—
Neil & Spencer Holdings	Monday	1.4	2.1	1.4
Nu-Swift Industries	Thursday	0.84	1.21	0.84
Refuge Assurance	Thursday	3.4	7.2	3.9
Robinson (Thos.) & Son	Wednesday	0.8232	4.0	1.0
Rosedimond Investment Trust	Tuesday	2.5	3.45†	3.5
Shell Transport & Trading	Thursday	10.432‡	11.5331	8.8
Transport Development Group	Thursday	1.45	2.8	1.45
Tube Investments	Wednesday	12.5	13.0	12.5
Turner & Newall	Wednesday	4.5	7.0	3.0
Ultramar	Wednesday	2.5	5.0	4.0
United Biscuits	Thursday	1.7	2.0	1.87
Woolworth (F. W.)	Wednesday	1.3475	3.5695	1.225

Company	Announcement due	Dividend (p)* Last year Int.	Last year Final	This year Int.
INTERIM DIVIDENDS				
Downing (G. H.)	Tuesday	2.75	6.0	
Galliford Brindley	Monday	1.125	3.5	
Green (R.) Properties	Monday	0.7	1.5	
HTV Group	Thursday	3.5	6.5	
Hunt & Moscrop (Middleton)	Thursday	0.3575	0.5425	
Jarvis (J.) & Sons	Wednesday	5.5	6.5	
Link House Publications	Tuesday	2.8	5.6	
London and Strathclyde Trust	Tuesday	0.7	1.35	
Maynards	Wednesday	1.875	6.875	
Parker Knoll	Monday	2.5	4.5	
Prestwich Parker	Friday	0.5	—	
Scholes (George H.)	Monday	8.9	12.52	
Stocklake Holdings	Thursday	0.85	3.15	
United City Merchants	Thursday	0.6	0.8	
Yarrow	Friday	2.5	5.55	
INTERIM FIGURES				
Goodman Bros. & Stockman	Friday			
Heywood Williams Group	Monday			
Manganese Bronze Hldgs.¶	Tuesday			
Murray Glendevon Inv. Trust	Monday			
Nelson David	Friday			

* Dividends shown net pence per share and adjusted for any intervening scrip issue. † Includes non-recurring dividend of 0.88p. ‡ Includes special dividend of 2.153p. ¶ Includes special dividend ...

SUMMARY OF THE WEEK'S COMPANY NEWS

Take-over bids and deals

Centreway Trust, formerly George Whitehouse (Engineering), is making an agreed bid of 80p nominal of 11 per cent Preference shares, plus 60p cash for every Centreway Limited share not already owned. Centreway Trust currently holds a 29.6 per cent stake in Centreway.

Mr. Stefan Simmonds, chief executive of Stroud Riley Drummond, made available a general offer of 42p per share to all shareholders of SRD following the acquisition of further shares, which lifted his holding in the company to 38.9 per cent.

M.D.W., the Glasgow-based construction and property company, received an approach which may lead to an offer for the company.

Bardsey, the property company, sold the 690,000 shares of F. Pratt Engineering it acquired at 85p per share during a "tea-time raid" last month to 600 Group for a consideration of £845,250, equal to 122½p per share.

Enserch Corporation's contested £140m bid for Davy Corporation was automatically lapsed after the offer was referred to the Monopolies Commission.

Company bid for	Value of bid per share**	Market price**	Price before bid	Value of bid £m's**	Bidder	Final Acc't'ce date
Prices in pence unless otherwise indicated.						
Avenue Close	86§§	84	78	10.47	Peachey Prp.	20/3
Bond Street	28§§	30	26	0.55	Grovebell	—
Booth Intnl.	59§§	58	34	2.36	Garner Scotblair	—
Bristol Evening Post	190§*	185	105	5.92	Associated Newspapers	—
Central Man. and Trad.	55*	53½	50	11.40	Caparo	—
Centreway	132§§	121	123	1.63	Centreway Tst	—
Colmore Invs.	33*	33	30	13.20	Nesco	—
Denbyware	80*§	86	74	2.41	Crown House	—
Eva Inds.	40*§	39½	37	2.73	Anglo Indonesian	16/3
Greenbank Tst.	136*	163	85††	1.09	Malton Fin. Serve.	19/3
Hawthorn Leslie	147*§	144	107	2.31	Starwest	—
Inveresk	35*	32½	35	7.12	Georgia-Pacific	—
London Sumatra	382	370	340	32.51	Harrisons and Crosfield	12/3
Negretti and Zambra	25*	26	30½	0.80	Western Scientific	8/3
Record Ridgway	42*	40	20	4.7	Bahco	—
Renwick	85*	87	77††	7.64	Kangra	30/3
Robertson Foods	165	159	97	19.23	Avana	20/3
Rosgill	28*	27½	28	2.68	Amber Day	—
Stag Line	430*	423	270††	5.30	Htng. Gibson	18/3
Stroud Riley Drummond	42*	52	50	0.91	Mr. Stephan Simmonds	—
UDT	57*	56	52	109.8	TSB	—

* All cash offer. † Cash alternative. ‡ Partial bid. § For capital not already held. ** Based on 6/3/81. †† At suspension. ‡‡ Estimated. §§ Shares and cash. ¶¶ Unconditional.

Scrip Issue

Rea Brothers—One for five.

PRELIMINARY RESULTS

Company	Year to	Pre-tax profit (£000)		Earnings* per share (p)		Dividends* per share (p)	
Allied Intl.	Oct.	205	(100)	—	(—)	—	(—)
Barclays Bank	Dec.	523,500	(529,400)	124.2	(125.4)	18.5	(15.42)
Bibby (J.)	Dec.	10,820	(9,200)	31.9	(32.7)	7.13	(6.25)
Blagden & Noakes	Dec.	2,590	(5,650)	17.7	(26.4)	6.0	(7.7)
British Vita	Dec.	7,110	(8,930)	18.7	(33.1)	5.2	(5.0)
Comben Group	Dec.	5,760	(5,000)	14.1	(12.3)	2.55	(2.55)
Crouch (Derek)	Dec.	3,040	(1,390)	14.9	(5.8)	5.05	(4.6)
Fisons	Dec.	3,830	(13,510)	—	(35.6)	10.0	(16.45)
General Accident	Dec.	92,300	(86,500)	39.8	(35.7)	13.5	(12.0)
Grindlays Hldgs.	Dec.	34,800	(37,556)	26.0	(30.0)	2.87	(2.69)
Hunting Gate	July	948	(937)	—	(—)	—	(—)
Invergordon Dist.	Dec.	4,370	(4,180)	20.1	(19.3)	4.0	(4.0)
Jourdan (Thos.)	Dec.	709	(345)	8.5	(4.6)	5.25	(4.2)
Kode Interntnl.	Dec.	1,410	(1,250)	23.3	(17.4)	6.69	(6.58)
Law Debenture	Dec.	1,540	(1,470)	8.5	(8.1)	7.25	(6.5)
Mount Charlotte	Dec.	660	(1,050)	2.0	(3.2)	0.7	(0.7)
Parker (Fredk.)	Sept.	692L	(2,810)	2.3	(21.8)	1.2	(8.99)
Provident Finncl.	Dec.	8,470	(9,230)	12.7	(15.5)	7.02	(6.45)
Ransomes Sims	Jan.	2,320	(2,880)	49.6	(42.2)	11.14	(11.14)
Rea Brothers	Dec.	750§	(601)§	1.0	(0.8)	2.0	(1.5)
Robinson Bros.	Jan.	223	(1,430)	—	(113.0)	10.0	(20.0)
Royal Insurance	Dec.	122,500	(131,500)	37.3	(53.9)	24.0	(21.5)
Sean Data	Nov.	296	(175)	12.1	(6.48)	—	(—)
Sharpe (W. N.)	Dec.	5,120	(4,389)	37.2	(28.9)	7.0	(6.0)
Tavener Routldge.	Dec.	87L	(140)L	—	(—)	—	(—)
Unilever ...	Dec.	567,700	(605,600)	74.3	(84.7)	22.91	(24.05)
Winston Estates	Dec.	934	(408)	1.9	(1.8)	10.1	(4.4)
Woodhse. & Rxsn.	Dec.	584	(384)	4.0	(3.3)	1.4	(1.74)

INTERIM STATEMENTS

Company	Half-year to	Pre-tax profit (£000)		Interim dividends* per share (p)	
A.A.H.	Dec.	6,490†	(6,460)†	3.82	(3.48)
Bogod-Pelepah	Sept.	33	(220)	0.1	(0.19)
Campari Intl.	Dec.	286	(738)	1.0	(1.9)
Clark (Matthew)	Dec.	1,730¶	(2,170)¶	2.0	(2.0)
Cons. Gold Fields	Dec.	76,200	(65,800)	8.5	(7.3)
Davy Corp.	Sept.	6,070	(4,560)	2.0	(2.0)
Diploma	Dec.	2,740	(3,050)	1.0	(1.0)
Fitzwilton	Dec.	680‡	(1,060)‡	2.0	(2.0)
Jentique	Dec.	218L	(309)	0.6	(1.03)
Mitchell Cotts	Dec.	3,580	(2,980)	0.66	(0.66)
Neepsend	Sept.	1,660L	(810)	—	(1.02)
Nolton	Oct.	11L	(110)	0.6	(0.6)
Staffs. Potteries	Dec.	595L	(305)	—	(1.13)

(Figures in parenthese are for corresponding period.)

* Dividends shown net except where otherwise stated. † For nine months. ‡ In Irf. ¶ For eight months. § Profit after tax and a transfer to inner reserves. L Loss.

Offers for sale, placings and introductions

Sutton District Water Company—Offering £3m of 8 per cent redeemable preference stock by tender at £100 per cent.

TR Energy—Offer for sale of 10m 25p shares at £1 each.

Falmouth Petroleum—Offer for sale of up to 3m Falmouth shares at U.S.$2 each under Stock Exchange Rule 163 (1) (e).

APPOINTMENTS

Mr. John Donaldson has been elected to the Board and appointed chairman of M.E. BOILERS, Fengate, Peterborough. Until recently, Mr. Donaldson was managing director of F.C. Finance.

*

Mr. Dryden G. Liddle has been appointed an executive director of the banking group of MERRILL LYNCH INTERNATIONAL BANK.

*

Prince Rupert Loewenstein is relinquishing his appointment as joint chief executive of LEOPOLD JOSEPH AND SONS and his directorship of Leopold Joseph Holdings and its other subsidiaries to devote time to his interests which necessitate frequent and prolonged absence from the U.K. This will be effective from March 31, but he will continue as a consultant to the group. On that date Mr. Louis Heymann will become sole chief executive of Leopold Joseph and Sons.

*

Mr. Neil T. Pepperell has been appointed marketing director of THERMALITE.

LONDON TRADED OPTIONS

(Mar. 6 Total contracts 747)

Option	Ex'rcise price	April Closing offer	April Vol.	July Closing offer	July Vol.	Oct. Closing offer	Oct. Vol.	Equity close
BP	360	56	1	—	—	—	—	414p
BP	420	15	5	36	2	52	—	"
BP	500	1	45	12	—	—	—	"
Com. Union	140	17	15	23	—	28	—	154p
Com. Union	160	6	5	10	—	13	—	"
Cons. Gold	420	23	2	45	—	52	—	423p
Cons. Gold	460	15	10	23	27	35	—	"
Cons. Gold	500	—	—	10	—	20	1	"
Cons. Gold	538	1½	2	—	—	—	—	"
Cons. Gold	550	—	—	5	—	8	5	"
Courtaulds	50	12	—	13	—	15	1	61p
Courtaulds	60	3½	10	6½	2	9	—	"
Courtaulds	70	1½	—	3	2	4½	20	"
GEC	600	52	6	82	—	100	—	641p
GEC	650	21	45	47	1	67	—	"
Grand Met.	160	18	18	24	—	31	—	174p
Grand Met.	180	6	11	12	—	15	2	"
ICI	260	10	3	24	1	34	1	248p
ICI	280	5	3	15	—	26	—	"
ICI	300	2½	33	8	1	17	17	"
ICI	330	1	36	4	—	—	—	"
Land Sec.	360	45	57	54	—	66	—	398p
Land Sec.	390	23	7	34	3	46	—	"
Land Sec.	420	7	12	19	—	30	—	"
Marks & Sp.	120	7	10	11	—	16	—	121p
Marks & Sp.	130	2	—	6	—	11	1	"
Shell	460	6	41	17	1	24	—	416p
Shell	550	¼	11	3	—	—	—	"
Totals			389		40		46	
		May		August		November		
Barclays B'k	420	13	3	23	60	35	—	398p
Barclays B'k	460	4	10	13	—	—	—	"
Imperial Gp.	70	6½	—	8	4	10	—	71p
Lasmo	650	40	2	70	—	90	—	622p
Lasmo	700	20	5	45	—	62	2	"
Lasmo	750	8	10	25	—	—	—	"
Lonrho	90	14	—	17	21	19	—	98p
Lonrho	100	7	41	10	3	12	5	"
Lonrho	110	3	20	6½	1	8½	6	"
P. & O.	120	11	5	14	—	19	—	125p
Racal Elec.	300	64	4	75	—	—	—	351p
Racal Elec.	360	21	7	34	—	46	—	"
Racal Elec.	390	6	4	19	—	33	—	"
RTZ	414	33	3	—	—	—	—	428p
RTZ	420	—	—	47	—	65	1	"
RTZ	454	15	15	—	—	—	—	"
RTZ	460	—	—	28	30	—	—	"
RTZ	494	6	10	—	—	—	—	"
Totals			139		119		14	

CORAL INDEX: Close 485-490 (−8)

APPOINTMENTS

Executive Board post at Fisons

Mr. David Peters will be joining the main Board of FISONS on April 1. Mr. Peters, formerly of BOC, will assume the responsibilities of Mr. A. S. Woodhams who is retiring at this year's annual meeting in May. Mr. Woodhams is a deputy chairman of Fisons and director in charge of group administration.

*

Mr. J. J. Bennett, Mr. M. M. Bull, Mr. A. W. Cowie, Mr. K. E. Fay, Mr. J. A. D. Long, Mr. J. P. O'Neil, Mr. B. M. Pincus, Mr. C. G. Poulton, Mr. H. A. Rose and Mr. J. H. Williamson have been appointed assistant directors of CHARTERHOUSE JAPHET.

*

Two group executives of QUINTON HAZELL have joined the main Board. They are Mr. Peter Webber, chief executive of Parico, the group's motor component wholesale company, and Mr. Jim Prophet, group personnel director. Both were previously members of the executive committee.

*

Mr. Murray Loake has been appointed director of communications and public affairs, BL CARS. Mr. Martin Hayes, director of communications and public affairs for the Leyland Group, is also to take on the position, previously held by Mr. Loake, of corporate communications executive, BL Limited. Mr. Loake succeeds Mr. Stephen Harrison, who has become director, marketing operations and services, BL Europe. Responsibility for BL Cars' communications and public affairs is transferred from BL Europe and Overseas to Mr. Ray Horrocks, managing director, cars, BL Limited.

*

Mr. Lawrence Waddicor has been appointed a director of TOTTY BUILDING GROUP, of Bradford.

*

Mr. David Part has been elected president of the ROYAL WARRANT HOLDERS ASSOCIATION for 1981-82. Mr. Peter Smith is vice-president and Mr. Edward Rayne honorary treasurer. The retiring president is Mr. John Riddell-Webster.

*

Mr. Michael Harrison has been appointed a director of MAGAZINE MAILING/TRANSMAIL AND INDEX SERVICES, of Norwich.

*

Mr. John Jacobs has been appointed sales and marketing director of KAW, of Redditch. He was previously with General Motors Continental NV-European parts and accessories marketing group, based in Belgium.

*

Mr. H. A. Whittall has been appointed deputy chairman of RANSOMES SIMS AND JEFFERIES. He is chairman of Amalgamated Power Engineering and he joined the main board of Ransomes in 1979.

*

Mr. N. F. Oppenheimer, a director of ANGLO AMERICAN CORPORATION, has been appointed a member of the executive committee of the board.

*

Mr. J. C. Finan has become general manager (field operations) of the PEARL ASSURANCE COMPANY succeeding Mr. R. Younger, who has retired from that position but remains on the board as a non-executive director. Mr. R. T. Griffiths has been made assistant general manager (personnel) replacing Mr. K. W. I. Fletcher, who has been seconded to take charge of Pearl's U.S. subsidiary. Mr. D. W. Davies is now an assistant actuary and Mr. D. J. Oliver has been appointed controller (marketing and sales).

*

Mr. F. A. Russell has been appointed chairman and non-executive director of WESTPARK, Birmingham.

*

Mr. Richard F. Savage has been appointed personnel director and Mr. James Arnold-Baker, a director, on the UK Board of QUAKER OATS. Mr. Savage joined the company a year ago and Mr. Arnold-Baker is managing director—Europe of Fisher Price Toys.

*

Sir Hywel Evans is to be appointed a member of the ARTS COUNCIL OF GREAT BRITAIN from April 1 for four years. Sir Hywel replaces the Marchioness of Anglesey who is retiring.

*

Mr. Gwyn Jones has been appointed assistant managing director of W. & E. TURNER and he has been succeeded as sales director by Mr. Tom Carlton. The company is a member of the J. Hepworth & Son group.

*

Mr. John Donaldson has been appointed a non-executive director of CATTLE'S (HOLDINGS) and its subsidiaries Cattle's Holdings Finance and Cattle's Holdings Leasing. Mr. Donaldson was managing director until March 1980 of F. C. Finance.

*

Mr. J. V. Boodle has been appointed managing director of BRITISH FERMENTATION PRODUCTS in succession to Mr. W. F. C. van Bosse, who is taking up a new position with the parent company, Gist Brocades N.V. Dr. G. Bresser has become vice chairman of the company and Drs. A. J. Groen, Mr. K. W. Robeer and Jhr. J. A. C. Six have joined the Board. Mr. G. W. Atkinson has been made a non-executive director.

*

Mr. Robert Michaelson has been appointed a vice-president and senior portfolio manager of MELLON PICTET INTERNATIONAL MANAGEMENT, of London, which is jointly owned by Pictet & Cie, Geneva, and Mellon Bank, Pittsburgh.

*

Mr. George F. Brantingham has been appointed managing director of KINGS AND CO., from April 1. The company is a member of the Tarmac group and Mr. Brantingham also joins the Board of Tarmac Roadstone Holdings. At Kings, he succeeds Mr. Mark Pharoah, who is resigning for personal and professional reasons, but will be available to Tarmac Roadstone Holdings as a consultant.

*

Mr. J. R. Richards, group managing director of the LILLESHALL COMPANY, is to relinquish that position on March 13.

*

Mr. Jasper Grinling has been appointed director of corporate affairs at GRAND METROPOLITAN.

*

Sir Peter Trench, chairman of the Lovell Construction Group, has been appointed Visiting Professor in the Department of Construction Management of the UNIVERSITY OF READING. A three-year honorary post, the appointment is the first to be made by the Department to a representative of a construction company.

*

LEP TRANSPORT has appointed Mr. Peter Skerry as an executive in its international projects division.

*

Mr. Alastair Pugh, managing director of British Caledonian Airways, has been nominated president of the INSTITUTE OF FREIGHT FORWARDERS for 1981-82 and will be formally elected on May 14. He will succeed Sir Ronald Swayne.

APPOINTMENTS OVERSEAS

Dr. Christopher Blocher, managing director and management chairman of EMS Industries, and Dr. Bruno Sorato, deputy chairman of the executive committee of Swis Aluminium, have been nominated by UNION BANK OF SWITZERLAND, Zurich, for election to the oBard at the annual meeting.

*

Dr. Arthur Fuerer, managing director of Nestle SA, Vevey, is to join the Board of CREDIT SUISSE, Zurich.

*

Mr. A. Van Ruymbeke has relinquished his position as director general of UNION LAITIERE NORMANDE, France, and has been succeeded by the directeur general designate, Mr. D. Gautier Sauvagnac. Mr. Van Ruymbeke has been appointed adviser on international trade to the ULN group.

*

Dr. Hans Rudolf Reeb is on April 1 to succeed Dr. Rudolph R. Spruengli as management chairman of LINDT AND SPRUNGLI AG, Kilchberg, Switzerland. Dr. Spruengli, who will retire from the post of managing director, remains Board chairman.

*

Mr. Arthur Bollinger has been appointed as executive vice-president of DOW BANKING CORPORATION, Zurich, the Swiss based banking subsidiary of the Dow Chemical Company.

*

MIDLAND BANK INTERNATIONAL has opened a representative office in Amsterdam and Mr. Henk Ester has been appointed representative. He was formerly a manager in the bank's Northern European region.

*

Mr. Christian Christiansson has resigned as managing director of KOCKUMS AB, Sweden, and will become vice managing director. Mr. Ebbe Krook has been appointed managing director.

*

Mr. Gerald Weiner has been named chairman and Mr. Allan M. Feldman has been appointed president of New Jersey office supply division of KIDDE, INC.

*

Mr. Laurence A. Gardner has been appointed president and chief executive officer of FIRST CITIZEN'S BANK, Michigan.

*

Mr. O. S. Andras has been elected executive vice president of ENTERPRISE PRODUCTS COMPANY, Houston, U.S. He was previously with Dow Chemical.

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WORLD STOCK MARKETS

Further losses on Wall St.

FURTHER LOSSES developed on Wall Street yesterday, when profit-taking continued to depress Oil shares.

By 1 pm the Dow Jones Industrial Average was off another 3.32 to 961.30, making a loss of 13.28 on the week. The NYSE All Comon Index, at $74.18, shed 33 cents on the day and 95 cents on the week, while declines led advances by a six-to-five majority in a volume of 28.8m (33.9m) shares

Analysts said the profit-taking results from expectations the world oil glut limit oil price increases.

News that Wholesale Prices rose 0.8 per cent in February was on the low end of Wall Street's expectations but provided little encouragement to inflation-wary investors. Analysts also said investors are worried about Money Supply figures, due later yesterday.

Among Oils, volume leaders Mobil fell $2⅞ to $63⅛. Exxon $1½ to $68¼. Standard Oil (Indiana) $1 to $66¼ and Getty $2⅞ to $66¼. Atlantic Richfield dipped $1⅞ to $53—it plans an offering of $250m of 30-year Debentures.

Amax opened at $56 on 350,000 shares, after being halted Thursday at $38¼—Amax said directors would not support a $78.50 a share takeover proposal from Standard Oil of California, down $3½ to $85.

Thompson Medical climbed $4½ to $24¼ on Revlon, off $⅞ to $43¼, plans to acquire it for about $110m.

Consolidated Freightways, which rose $6⅞ Thursday, added another $1½ at $37¼—it said it would sell its truck manufacturing operations to Daimler-Benz.

THE AMERICAN SE Market Value Index slipped 0.15 to 336.42, making a loss of 2.52 on the week. Volume 2.86m (3.22m) shares.

Active Tie / Communications slipped $¾ to $18⅞, despite news of a $15m contract to sell key telephone systems to General Telephone.

Volume leader Gulf Oil shed $¾ to $20½, Dome Petroleum $⅞ to $64¾ and Husky Oil $¼ to $12¾.

Adobe Oil gained $2½ to $40 Amax Inc. holds 30 per cent of Adobe.

Universal Resources firmed $¾ to $26 on higher fiscal first quarter profit and its filing for an offering of 1m Common.

Cellu-Craft added $½ at $4¾ on higher fourth quarter and full year results.

Canada

Markets were mixed in fairly active noon trading yesterday, when the Toronto Composite index rose 3.8 to 2185.2.

The Metals and Minerals Index moved up 22.7 to 2171.0 and Golds 63.6 to 3786.3, but Oil and Gas lost 12.7 to 4169.9, Banks 0.92 to 404.98 and Utilities 0.36 to 254.76.

Asbestos Corp. advanced $2½ to $30—trading was halted Thursday pending news of a Court ruling upholding the Quebec Government's right to expropriate the company's Quebec assets.

Paris

Prices firmed in fairly active trading, reflecting Base Rate cuts to 12¾ per cent from 13 per cent by two French private banks.

Most sectors gained ground except Banks, Foods, Constructions and Engineerings, which were mixed.

Foreign shares tended mixed, with Gold Mines and Japanese higher, Americans mixed, while other sectors were weaker.

Amax resumed trading at FFr 264.5, against FFr 194.8 overnight—it had been suspended following news of a takeover bid by Standard Oil of California and its subsequent rejection by the Amax board.

Germany

In Banks, Dresdner were particularly under pressure and down DM 4.5 at 151.5 ex rights, in light of the reserved response to its new Rights issue. The Rights were again quoted easier.

Leading Stores were generally weaker. Mannesmann and Linde were each easier in otherwise narrowly higher Engineerings, but Motors and Chemicals were generally stronger.

On the Bond Market, prices were generally mixed to lower with investor activity apparently determined by individual liquidity problems on the Money Market, where Bundesbank was still offering Lombard credits at 12 per cent. Bundesbank sold DM 10.8m of Public Sector Bonds in open market operations, up from DM 5.3m Thursday.

Switzerland

Swiss stocks closed lower in light trading.

Banks and Financials were steady, Insurances were weaker, Industrials and Chemicals were mixed to lower.

In the Foreign sector, Amax were a stand-out among dollar stocks, closing sharply above its New York overnight closing price. Other American shares were mixed.

Dutch Internationals eased slightly in moderate trading, while Germans lost some ground in very little volume.

Milan

Generally firmer in active trading.

Convertibles eased slightly in the Bond sector.

Hong Kong

Market continued to fall in early active trading, but recovered towards the close. The Hang Seng Index was off 1.75 at 1,390.68 *after falling 33.07.*

The market continues concerned about recent changes in Government and Stock Exchange proposals which are seen as interfering in the freedom of trading, but the possibility of local Prime Lending Rate being eased at yesterday afternoon's weekly meeting of the Association of Banks caused the rebound.

Tokyo

Mixed in light trading as "large capitals" and "high-priced" electricals fell on profit-taking. Motors and some Blue Chips rose on selective buying. Volume 270m (360m) shares.

Heavy Electric Machines Shipbuildings, Drugs, Machines Foods, Constructions and Precisions declined.

Toyota Motor gained Y41 to Y813, encouraging other Vehicles Trading Houses and some Light Electrics also firmed.

Johannesburg

Gold shares firmer but overall trading was dull.

Heavyweight Producers gained up to 200 cents, while lesser-priced issues generally rose between 5 and 15 cents.

Platinums and Mining Financials followed Golds. Fed Mynbou rose 25 cents to R16.25, following final figures.

Coppers also firmed, while other Metals and Minerals were mixed.

Industrials closed steady to narrowly mixed.

Australia

Prices firmed in moderate trading on cautious and selective buying.

Properties improved a little with the big news in this area being the proposed sale of the Australia Square Tower Building to General Property Trust for a rumoured $A86m. Gerry Dusseldorp, chief executive of Lend Lease, the vendor, is also head of the GPT.

Castlemaine Tooheys rose 5 cents to $A3.60 after its one day suspension on Thursday. G. J. Coles were 7 cents at $A2.50xd.

NKS Holdings, which prompted a Stock Exchange query Thursday after rising 50 cents, closed 5 cents higher at $A3.35 yesterday after sales at $A3.40. Turnover 297,125 shares, including a special sale of 296,625 transacted at $A3.25.

Most major Golds were steady, except Central Norseman, up 10 cents at $A6.30 while, Uraniums, Queensland Mines rose 40 cents to $A11 and EZ 10 cents to $A5.30. Peko shed 20 cents to $A7.40.

Oil and Gas shares tended firmer. Strata were up 20 cents to $A3.48.

BHP rose 10 cents to A12.80 and the Rights 20 cents to $A8.70.

Closing prices for North America were not available for this edition.

Indices

NEW YORK ACTIVE STOCKS

INTERNATIONAL COMPANIES and FINANCE

Earnings rise at East Asiatic

By Hilary Barnes in Copenhagen

THE EAST ASIATIC Company, the Danish trading and shipping group, increased group earnings before tax from DKr 460m to DKr 515m ($78m) and after-tax earnings from DKr 194m to DKr 255m. An unchanged 10 per cent dividend is proposed. Group turnover increased from DKr 20bn in 1979 to DKr 21.3bn ($3.2bn).

Parent company earnings were up from DKr 138m to DKr 187m before tax and net profits from DKr 95.5m to DKr 108.8m. Group equity capital increased from DKr 1.49bn to DKr 1.66bn.

Mr. Mogens Pagh, the chairman, said that high interest rates, not least in the U.S., were the greatest obstacle to achieving reasonable profit margins. He said the company with its wide-ranging businesses was particularly exposed to high interest rates, which had had adverse effects on earnings. Group financial expenses increased by DKr 100m to DKr 701m last year.

Shipping operations, Mr. Pagh said, had benefited from higher freight earnings.

Mr. Pagh, who last year ended a span of 24 years as managing d'rector, is retiring from the chairmanship. His replacement will be Mr. T. Woeldike Schmith, currently deputy chairman.

Montedison unit ahead

Farmitalia Carlo Erba, the pharmaceutical unit of the Montedison group, increased 1980 profit to L16.13bn ($15.7m) from L6.2bn. As a result the company plans to boost its dividend to L140 a share from L110.

AP-DJ.

Choice of Finsider chief increases political tension

BY RUPERT CORNWELL IN ROME

POLITICAL TENSIONS surrounding Italy's troubled steel industry have grown with the surprise choice of Sig. Lorenzo Roasio as president-elect of Finsider, the subsidiary of the state-controlled IRI group, which is in charge of public sector steel.

The appointment was made unilaterally by IRI in the face of opposition from Sig. Gianni de Michelis, the Socialist Minister for State Shareholdings, to which IRI is responsible.

This clash between Sig. Pietro Sette, president of IRI who is linked to the Christian Democrat Party, and Sig. de Michelis will only complicate further the entire issue of the future of Italy's debt-ridden steel industry. A L6,000bn ($5.85bn) steel rescue plan outlined by Sig. de Michelis has already run into strong criticism from the EEC Commission and from several of Italy's Common Market partners.

The Government, which is built around a Christian Democrat Socialist alliance, is due shortly to approve a steel aid programme. But the exact extent of the capital injection is still not clear, and the arguments over Finsider has only made matters worse.

Sig. Roasio, currently president of SNAM, the gas distribution division of the state energy agency ENI, is now set to take over from the outgoing president of Finsider, Sig. Alberto Capanna, whose term of office expires this summer.

The main problem Sig. Roasio will have to tackle is the disastrous financial position of Italsider, the operating subsidiary of Finsider, which in 1980 is reckoned to have lost about L500bn entirely due to the L600bn of debt servicing charges which wiped out an operating profit of about L100bn.

Sig. de Michelis is pressing for a cash injection which would wipe Italsider's slate clean.

DIAG sees first annual profit

BY LESLIE COLITT IN BERLIN

WHEN SEVEN ailing West Berlin companies were brought into DIAG, a newly formed West German Government holding company, in 1964, a newspaper headline at the time aptly summed up the move: "Seven patients in one bed."

It took until 1980 for DIAG—Deutsche Industrieanlagen—to break even and this year it expects to return a profit to the Federal Treasury. The DIAG group, which produces machine tools, turnkey plant and equipment, had a turnover last year of DM 600m ($280m). In 1979 it generated a DM 40m loss.

However, in the 1970s losses were even greater from the plants DIAG erected in Algeria which it had guaranteed would attain a set level of output using local personnel. The West German Treasury had to pump DM 500m into DIAG to help make up for the drain.

DIAG has just acquired Miller - Johannisberg Druckmaschinen in Wiesbaden, a printing machinery company with factories in the U.S., Canada, UK and France, which had a turnover of about DM 120m last year. The U.S. subsidiary used to be the parent company and was bought from Western Gear Corporation in Los Angeles.

DIAG's machine tool division consists of well-known names such as Fritz Werner in Berlin, Hermann Kolb in Cologne and Gebrüder Honsberg in Remscheid who together make up the second largest machine tool group in West Germany.

An industrial equipment division, Fritz Werner Industrie-Ausrüstungen in Geisenheim produces mainly defence plant. This is the division which purchased Miller as the impetus is now toward civilian projects.

Setback at Amoy Canning

AMOY CANNING Corporation has reported profits for the six months to December 31 of HK$1.71m (US$324,000), steeply down from profits for the same period the previous year of HK$5.52m. The interim dividend, however, is maintained at 3 cents a share.

The decline in profits was forecast in an offer document in November, when Hang Lung Developments made an unsuccessful attempt to buy out the minority shareholders in the company.

Amoy had a reduction in interest-bearing cash balances because it was moving its production facilities to a new site.

Two Wheelock Marden subsidiaries lift income

BY ADRIAN BOVEN IN HONG KONG

REALTY DEVELOPMENT Corporation, the Wheelock Marden property subsidiary, has reported profits for the nine months to December 31, of HK$45.59m (US$8.6m), up 21 per cent on an annual basis from profits for the year to March 31, 1980, of HK$50.1m.

Wheelock Marden is, as a group, going through a nine-month accounting period this year, to move its financial year end to December 31.

The final dividend was set at 10 cents a share for the A shares and 2 cents a share for the B shares, making a total for the year of 18 cents per A and 3.6 cents per B.

Consolidated net profits of Beauforte Holdings, a subsidiary of Wheelock Marden, with interests in shipping and property rose 69.1 per cent in the nine months, to HK$7.5m from HK$4.44m for the year ended March 31, 1980. In addition, there was an extraordinary profit of HK$80.72m from the sale of a San Po Kong factory building, against no such item in the previous year.

Head of Internatio Mueller resigns

By Charles Batchelor in Amsterdam

MR. FRANK SCHENK has resigned as chairman of the Dutch trading and industrial group, Internatio-Mueller. The company slipped into the red last year following problems on trading and in its general cargo handling division.

Mr. Schenk, 63, has spent 45 years with the company. He joined the managing board in 1974 and became chairman a year later. The remaining two members of the managing board, Mr. Jan Voordijk and Mr. Gerrit Doeksen, will continue in office.

The first sign that IM's recent trading difficulties would have an impact on the company's senior management came with the announcement in December of the resignation of Mr. W. Kooyker, managing director of the international trading division, because of a difference of opinion over the running of the division. Mr. Schenk then took over special resonsibility for international trading.

After an improvement in profits in the first half of last year and a forecast that the upturn would continue in the second half, prospects worsened sharply towards the end of 1980. IM said last month it would make a net loss of Fl 55m ($23m) after the 1979 profit of Fl 6.2m. It will pay no dividend compared with the previous payment o fFl 1.40 per share.

The company's 1980 loss consists of an operational loss of Fl 5m and special provisions of Fl 50m. The main problem areas has been the ocoa trading activities carried out by the New York office.

Rotterdam-based IM has annual turnover of Fl 3.7bn ($1.6bn) and a workforce of 15,800. Wholesaling and international trade accounts for 66 per cent of turnover and 59 per cent of profits. It is also engaged in freight handling, forwarding, technical contracting and manufacturing.

Canadian Imperial

First quarter 1979 revenues of Canadian Imperial Bank of Commerce were C$1.4bn (U.S.$1.16bn), not C$4bn as reported in some editions of the Financial Times on March 6.

Wagon-Lits expects sharply higher results

BY OUR FINANCIAL STAFF

WAGON-LITS, the Belgian-based railway services, catering and hotels group, expects sharply higher profits for 1980.

The company—full name Cie Internationale des Wagons-Lits et du Tourisme—sees a rise of more than a quarter in net profits to BFr 260m ($74m) for last year, against BFr 206m in 1979.

The improved trading follows an increase in turnover with revenues from tourism — the bulk of total sales—rising by 18 per cent to BFr 24.2bn.

Hotels turnover rose by 31 per cent to BFr 1.7bn while catering sales pushed upwards by 10 per cent to BFr 5.3bn. Railway turnover increased to BFr 8.6bn, a gain of 13 per cent.

The results represent another solid year for Wagons-Lits whose profits in 1979 almost doubled. For that year shareholders received a dividend of BFr 60 a share, against BFr 40 in 1978.

● Societe Nationale de Credit a l'Industrie (SNCI), a financial institution that provides development loans to Belgian industry, reduced net lending by 32 per cent last year to BFr 63bn. However, in 1979, an exceptional credit of BFr 37.9bn was granted to the State as part of the country's steel rescue programme. Lending of this type fell to BFr 1bn in 1980. Thus, excluding the steel industry, SNCI's lending actually rose by 12½ per cent.

Liechtenstein's domestic banks improve outcome

BY JOHN WICKS IN ZURICH

DOMESTIC banks in the principality of Liechtenstein recorded improved business last year, with marked increases in both assets and earnings.

Liechtenstein Landesbank showed a 17.6 per cent growth in balance-sheet total to SwFr 2.17bn ($1.14bn). Following a rise in net profits from SwFr 4.73m to SwFr 5.17m, the board recommends payment of SwFr 3m as interest on SwFr 80m capital funds and the transfer of SwFr 850,000 to the Government.

Bank in Liechtenstein booked a rise in total assets of 24 per cent to SwFr 1.56bn and net profits of SwFr 9.9m compared with SwFr 8.55m. A 10 per cent dividend on capital of SwFr 35m is to be paid.

Verwaltungs und Privat-Bank, reports a balance-sheet total up 18.9 per cent to SwFr 631.45m. From net profits up by 57.1 per cent to SwFr 4.49m, the board recommends payment of an unchanged 9 per cent dividend plus a jubilee dividend of 2 per cent.

New dark cigarette unveiled

BY OUR FINANCIAL STAFF

OFFICIALS of five countries—France, Japan, Austria, Italy and Portugal—unveiled in Paris yesterday the first multinational cigarette which will be manufactured and marketed in these countries.

The cigarette, called "Champagne," is a joint project to regain part of the market share lost by dark tobacco cigarettes in these countries to imported blond tobacco ones, notably those produced in the U.S.

Taking part in the project are the French state-run tobacco and match concern Seita, the Japanese Tobacco and Salt Corporation, the Austria Tabakwerke (ATW), the Italian state tobacco monopoly Monital, and Empresa Industrial de Tabacos (Tabaqueira) of Portugal.

M. Jean Carriere, head of France's Seita, said that each country will manufacture and market the cigarette in their respective regions.

If the project is successful, the five partners could attempt to break into the U.S. market with a light blend.

Adsteam makes bid for DJ's Properties

By Our Financial Staff

ADELAIDE STEAMSHIP Company (Adsteam), the industrial and investment group, is to stand in the market for one month, offering A$2.40 a share for DJ's Properties, the real estate investment associate of David Jones, the retail group in which Adsteam has recently built up an equity stake of some 44.8 per cent.

The offer for DJ's Properties values the ordinary shares in issue at about A$38m (US$44m). Adsteam launched the offer on the back of a holding of 25.99 per cent of the ordinary Properties' capital, with David Jones—over which Adsteam now exercises control—holding a further 40.45 per cent.

The David Jones board, however, has said that it has no intention of accepting the offer for its shares, and directors of DJ's Properties have also rejected the offer. Independent members of the David Jones board were unanimous in saying at the time of the Adsteam on-market bid for the retailer that it was not then in the long-term interests of shareholders to sell.

Adsteam announced an on-market bid for David Jones in January—valuing the retailer at A$75m—six months after acquiring a 23 per cent stake in the company, and a similar stake in DJ's Properties. From then on it has exercised control over the Jones group, with Mr. John Spalvins, Adsteam's chief executive, taking the helm and making a number of executive changes.

Subsequently to this, property assets of DJ's Properties were sold for A$100m, to show a capital profit of A$38m, with the proceeds largely reinvested in a 23 per cent stake in Tooth and Company, the brewery group.

Revlon to acquire Thompson Medical

REVLON, the Fifth Avenue headquartered cosmetics and medicines group, is to pay $110m for Thompson Medical, it was announced in New York yesterday, Reuter reports.

COMMODITIES/REVIEW OF THE WEEK

International cocoa pact hopes revived

BY OUR COMMODITIES STAFF

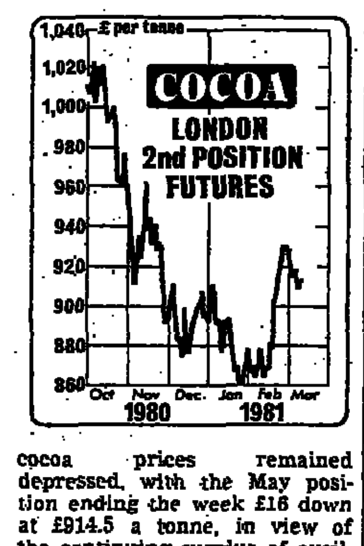
HOPES THAT a fully operative international cocoa agreement will be negotiated soon were revived this week following talks between producers and consumers in London.

Most interested parties agreed on a formula for regulating the world cocoa market last autumn, but the Ivory Coast and the U.S., the world's biggest producer and consumer respectively, refused to join the pact. The Ivory Coast said the 110-150 cents a lb proposed price range was too low, while the U.S. thought it was too high. Present market prices are about 94 cents a lb.

At this week's talks, however, the Ivory Coast, whose involvement is thought vital to the success of the agreement, showed signs that it might be willing to reconsider its opposition.

After affirming its support in principle for the pact, the Ivory Coast called for a special committee meeting to study price proposals, which is seen as a positive move. Full-scale negotiations will be resumed on April 6-10 giving producers a chance to consider their position at a ministerial meeting later this month.

On the London futures market



cocoa prices remained depressed, with the May position ending the week £16 down at £914.5 a tonne, in view of the continuing surplus of available supplies.

World Sugar prices continued their recent fall and the August futures position ended £19.65 down on the week. The London daily sugar price lost £15 to £240 a tonne.

Reports that the Soviet Union had puchased another 150,000 tonnes of sugar on the world market lifted prices briefly, but it was later suggested that the 3m tonnes the Soviets were estimated to require this season had now been secured.

Speculative selling was encouraged by recognition that the EEC would have to export about 80,000 tonnes a week to reduce carry-over stocks to a manageable level by the end of the season.

Lead prices continued to advance on the London Metal Exchange this week reaching the highest level since November last year. The cash price gained £14.15 to £335 a tonne. The recent rise in U.S. lead producer prices, raised by a further 2 cents to 36 cents a pound yesterday by some producers, and the continuing strike at lead-zinc mines in Australia, have encouraged buying interest, mainly from speculative sources.

A feature of the market was heavy "borrowing." (buying of cash metal matched by an equivalent sale at a future date) that emphasised the shortage of immediately available supplies and brought a sharp drop in warehouse stocks.

Copper and tin prices, however, ended the week lower in spite of moving up yesterday as a result of increased buying interest from the U.S.

Copper cash wirebars was £5.5 down on the week at £802 a tonne after falling to £778 on Wednesday. The downturn was attributed to the fall in gold, as well as cuts in U.S. producer prices. High interest rates in the U.S. continue to depress the market, but it rallied yesterday on further weakness in the value of sterling against the dollar and a rally in gold.

Cash tin closed the week £130 down at £6,040 a tonne. The Straits tin price in Malaysia lost ground,

WEEKLY PRICE CHANGES

	Latest prices per tonne unless stated	Ch'nge on week	Year ago	1980/81 High	1980/81 Low
METALS					
Aluminium	£810/815	—	£810/815	£810/815	£760/70
Free Markets c.i.f.	$1445/75	—5	$2030/2060	$2198/2200	$1400/1450
Antimony					
Free Market 99.6%	$3000/3050	—50	$3350/3375	$3,435	$3000/3050
Copper Cash Wire Bars	£802	—5.5	£1,104	£1,372	£755
3 months Do. Do.	£825.75	—5.75	£1,125.5	£1,376.5	£777.5
Cash Cathodes	£800.5	—4.5	£1,064.5	£1,316	£747
3 months Do.	£812.5	—5	£1,096.5	£1,343.5	£763.5
Gold per oz.	$468.5	—22	$613.5	$835	$463.5
Lead Cash §	£335	+14.5	£535.5	£579	£273.75
3 months §	£343.25	+13.75	£481.25	£471.5	£285.25
Nickel	£3,358.65	+202.85	£3,335	£3,477	£3,115
Free Market c.i.f. lb	275/290c	—12.5	315/345c	315/345	265/295c
Platinum per oz.	£213.50	—	£189	£213.50	£182.50
Free Market per oz	£201.80	—9.10	$426.95	£466.6	£186.60
Quicksilver (76lbs.)	$400/410	—	$390/400	$418/423	355/365$
Silver per oz	528.10p	—42.50	1458.15p	2,165.05p	467.80p
3 months per oz.	544.70p	—42.60	1509.0p	2,185.05p	483.3p
Tin cash	£6,040	—130	£8,280	£8,350	£5,700
3 months	£6,167	—120.5	£8,295	£8,385	£5,872.5
Tungsten Ind.	$145.47	+1.26	$138.76	£148.21	$137.75
Wolfram (22.04 lb).	$151/155	—	$143/148	$151/155	$128.50/134
Zinc cash	£337.5	+1	£342.5	£400	£282
3 months	£347.75	+1	£353.75	£415	£292.25
Producers	$825	—	$825	$825	$780
GRAINS					
Barley Home Futures	£101	+0.75	£96.35	£102.80	£89.95
Maize French	£123w	—	£116	£123	£110.50
WHEAT					
No. 1 Red Spring	‡		‡	‡	‡
Am. Hard Winter	£106.25	—1.75	‡	£112.5	£91.0
Eng. Milling (new crop)	‡	—	‡	‡	‡
SPICES					
Cloves (g)	$4,300x	—	$4,085	$4,300	$3,750
Pepper, white	$2,025x	—	$2,750	$2,825	$2,000
black	$1,575x	—	$2,025	$2,000	$1,576
OILS					
Coconut (Philippines)	$585y	—	$800	$925	$560
Groundnut 5%	‡	‡	‡	$457	‡
Linseed, Crude	£418	+14	£440	$480	£338
Palm Malayan	$597.50z	—	$685	$725	$475
SEEDS					
Copra (Philipines)	$395	—15	$620	$610	$355
Soyabeans (U.S.)	$302	—7	$286.35	$381	$260
OTHER COMMODITIES					
Cocoa Shipment	£1,000	—16	£1,432	£1,546	£915
Cocoa Futures May	£914.5	—16	£1,406.5	£1,513.5	£850.5
Coffee Futures May	£1,039.5	+5	£1,644	£1,784.5	£959.5
Cotton Index	93.25c	—0.95	93.50c	103.8c	83c
Des Coconut	£650	+10	£700	£740	£640
Jute LJ ABW C grade	£218x	—	£218	£252	£197
Rubber kilo	59p	—	69.75p	80p	54p
Sago Pearl	£205x	—	£209	£216	£197
Sisal No. 1	$780	—	$885	$885	$780
Sugar (Raw)	£240	—15	£250	£410	£164
Tapioca No. 1	£212x	—	£207	£326	£202
Tea (quality) kilo	125p	—	142p	150p	118p
(plain) kilo	63p	—2	60p	73p	54p
Wooltops, 64s Warp	322pkilo	+6	300p	325p kilo	276p kilo

‡ Unquoted. (g) Madagascar. (y) April/May. (x) March/April. (w) April. (z) May. * Nominal.

MARKET REPORTS

BASE METALS

COPPER—Higher again on the London Metal Exchange following good overnight American demand and the rise in gold. Forward metal opened at £818 and touched £826.5 before closing the late Kerb at £825.5. Turnover: 23,550 tonnes.

COPPER	a.m. Official	+ or —	p.m. Unofficial	+ or —
	£	£	£	£
Wirebars				
Cash	796.5-7	+6	801-3	+7.5
3 months	819-.5	+5.5	823.5-4	+6
Settlem't	797	+6	—	
Cathodes				
Cash	794-5	+6.75	800-1	+9.5
3 months	805-6	+5	812-3	+8.25
Settlem't	795	+7	—	......
U.S. Prod	—		*81.5-85	......

Amalgamated Metal Trading reported that in the morning cash wirebars traded at £797, 96, 96.5, three months £819.5, 20, 21, 21.5, 22, 21, 19.5, 19, 18.5, 19. Cathodes, £794, three months £807. Kerb Wirebars, three months £819, 19.5, 19. Afternoon: Wirebars, three months £823, 23.5, 24, 23, 23.5, 24. Cathodes, cash £800, three months £813. Kerb: Wirebars, three months £824, 24.5, 25, 25.5, 26.

TIN—Firmer. Forward metal rose to £6,230 in early trading following the fall in sterling. However, hedge selling pared the price to £6,150 before a minor recovery to £6,160 on the late Kerb. Turnover: 1,405 tonnes.

TIN	a.m. Official	+ or —	p.m. Unofficial	+ or —
High Grade	£	£	£	£
Cash	6080-90	+70	6035-45	+40
3 months	6200-5	+57.5	6165-9	+59.5
Settlem't	6090	+70	—	......
Standard				
Cash	6080-90	+70	6035-45	+40
3 months	6200-5	+57.5	6165-9	+39.5
Settlem't	6090	+78	—	......
Straits E.	$630.50	—0.31	—	......
New York	—	......	—	

Morning: Standard, cash £6,120, 6,090, three months £6,190, 6,200, 10, 20, 30, 20, 10, 6,200, 6,195, 6,200. Kerb: Standard, three months £6,200, 6,180. Afternoon: Standard, three months 6,170, 60, 55, 50, 51, 60, 65. Kerb: Standard, three months £6,160, 50.

LEAD—Gained ground as the rise in copper and decline in sterling pushed three months thorough the £340 level. This level encouraged good chartist support and took the price ahead to £343 before hedge selling and profit prompted a close on the late Kerb of £341.5. Turnover: 19,725 tonnes.

LEAD	a.m. Official	+ or —	p.m. Unofficial	+ or —
	£	£	£	£
Cash	333-4	+1.75	334.5-5.5	+3.75
3 months	340-.5	+4.75	343-.5	+5.5
S'ment	334	+2	—	......
U.S. Spot	—	......	*34	......

Morning: Cash £332, 33, three months £343, 43.5, 43, 42.5, 42, 41.5, 41, 41.5, 42, 41, 40. Kerb: Three months £340.5, 40, 40.5, 41, 40. Afternoon: Three months £341, 41.5, 42, 42.5, 43. Kerb: Three months £343.5, 42.5, 42, 41, 40, 41.

ZINC—Firmer as vague rumours of producer price rises lifted forward metal to £349 by the close of the late Kerb. Turnover: 8,875 tonnes.

ZINC	a.m. Official	+ or —	p.m. Unoffic'l	+ or —
	£	£	£	£
Cash	334-5	+3.75	337-8	+8
3 months	344.5-5	+4.25	347.5-8	+6.37
S'ment	335	+4	—	......
Primw'ts	—	......	*41.5	......

Morning: Three months £345, 45.5, 44.5. Kerb: Three months £344.5, 45. Afternoon: Cash £335, 36, 37, three months £346, 45, 46, 47, 47.5. Kerb: Three months £348, 49, 48, 47.5, 48, 48.5, 49.

ALUMINIUM—Higher on currency consideration which lifted forward metal to £672.5 on the late Kerb. Turnover: 8,025 tonnes.

Alumin'm	a.m. Official	+ or —	p.m. Unoffic'l	+ or —
	£	£	£	£
Spot	661-2	+11	661-2	+11.5
3 months	670.5-1	+6.75	671.5-2	+9.5

Morning: Three months £669, 70. Kerb: Three months £670.5, 70, 69.5. Afternoon: Three months £670, 69.5, 71, 71.5, 71, 72. Kerb: Three months £671, 72, 72.5.

NICKEL—Barely changed in quiet and routine trading which saw three months touch £2,845 before closing the late Kerb at £2,830. Turnover: 278 tonnes.

NICKEL	a.m. Official	+ or —	p.m. Unoffic'l	+ or —
Spot	2850-60	+23	2840-50	+12.5
3 months	2840-5	+20	2830-5	+10

* Cents per pound. ‡ $M per picul. † On previous unofficial close.

Morning: Cash £2,850, three months £2,840, 45. Kerb: Cash £2,860. Afternoon: Three months £2,835, 30. Kerb: Three months £2,835.

SILVER

Silver was fixed 16.05p an ounce higher for spot delivery in the London bullion market yesterday at 528.1p. U.S. equivalents of the fixing levels were: spot $11.55, up 29c; three-month $12.049, up 30c; six-month $12.584, up 36c; and 12-month $13.394, up 39.4c. The metal opened at 527p-536p ($11.55-$11.75), and closed at 538p-547p ($11.8-$12.0).

SILVER per troy oz.	Bullion fixing price	+ or —	L.M.E. p.m. Unoffic'l	+ or —
Spot	528.10p	+16.0	544.0p	+18.0
3 months	544.70p	+16.6	559.25p	+17.0
6 months	562.65p	+16.5	—	......
12months	590.80p	+20.4	—	......

LME—Turnover 132 (105) lots of 10,000 ounces. Morning: three months 545, 44, 44.5, 45, 46. Kerb: three months 546. Afternoon: three months 555, 56, 57, 58, 57.5, 57, 58, 59, 59.5. Kerb: three months 560, 59, 60.

COCOA

Cocoa futures traded within a narrow range throughout a featureless day to close with gains of £5. Business was quiet with both producers and consumers withdrawn from current levels, reports Gill and Duffus.

COCOA	Yes'rday's Close	+ or —	Business Done
March	840-845	+1.50	847-834
May	914-915	+5.0	915-911
July	945-946	+7.0	947-940
Sept.	967-968	+4.0	969-963
Dec.	997-998	+3.0	999-994
March	1019-20	+3.0	1020-16
May	1038-39	+4.5	1038-33

Sales: 3,792 (4,955) lots of 10 tonnes.

ICCO Futures—Daily price for March 5 93.17 (94.15): five-day average 94.01 (94.53).

COFFEE

Robustas had a featureless day with very poor volume. Physical activity remained light and there were no fresh fundamental developments. Late trade buying and dealer short-covering prompted a steadier finish but overhead resistance halted any sharp advance, reports Drexel Burnham Lambert.

COFFEE	Yesterday's Close £ per tonne	+ or —	Business Done
March	1022-25	+4.5	1025-12
May	1039-40	+1.0	1042-35
July	1052-54	+5.0	1053-45
Sept	1061-64	+5.0	1063-55
Nov	1065-66	+3.0	1066-60
Jan	1063-70	—1.0	—
March	1063-70	—11.0	1066-65

Sales: 990 (855) lots of 5 tonnes.

ICO Indicator prices for March 5 (U.S. cents per pound): Other Mild Arabicas 125.00 (125.67); Robustas ICA 1976 114.25 (114.50); ICA 1968 114.50 (114.75). Unwashed Arabicas unquoted. Comp. daily ICA 1968 unquoted.

GRAINS

LONDON GRAIN FUTURES—Old crop wheat opened 20p lower. Aggressive buying from commercial and trade shorts increased values sharply the main volume being in May, to close 50p higher on the day. Barley old crops registered losses of 25p in quiet trading. New crop wheat saw few sellers and gained 45p-55p on the day in very thin trade. Barley followed a similar pattern, September closing 70p higher with November and January 35p higher on the day, reports Acli.

Mnth	WHEAT Yesterd'ys close	+ or —	BARLEY Yesterday close	+ or —
Mar.	110.65	+0.70	98.85	+0.20
May	113.05	+0.50	101.00	—0.25
July	116.60	+0.35	—	—
Sep.	99.45	+0.55	94.15	+0.35
Nov.	103.05	+0.45	97.90	+0.55
Jan.	106.95	+0.55	101.80	+0.35

Business done—Wheat: Mar. 110.50-110.00, May 113.20-112.35, July 116.75-116.15, Sept. 99.40-99.20, Nov. 103.00-102.80, Jan. 106.80-106.80. Sales 256 lots of 100 tonnes. Barley: Mar. 98.95-98.75, May 101.25-101.00, July no trade, Sept. 94.15-94.00, Nov. 97.90-97.90, Jan. 101.80-101.75. Sales 132 lots of 100 tonnes.

LONDON GRAINS—Wheat: U.S. Hard Winter 13½ per cent Mar. 106.25, April 107.50 transhipment east coast. English Feed fob April/June 117 seller. Maize: French Mar. 123 transhipment east coast. S. African Yellow Mar./April 89.50. Barley: English Feed fob April 104.25 paid, April/June 105.75 seller East Coast. Rest unquoted.

HGCA—Locational ex-farm spot prices. Feed barley: Eastern 95.60, E. Midlands 96.60, N. East 96.10, Scotland 95.10. Other Milling wheat: Eastern 111.30. The UK Monetary Coefficient for the week beginning Monday March 9 will increase to 0.858.

RUBBER

The London physical market opened slightly easier, the terminal market was steady throughout the day, but closed uncertain. Lewis and Peat reported an fob March price for No. 1 RSS in Kuala Lumpur of 299 (296) cents a kg and SMR 20 at 265 (264) cents.

No 1. R.S.S.	Yest'r'ys close	Previous close	Business Done
Apr.	61.60-62.20	60.80-61.40	61.20
May	62.50-63.50	61.80-62.50	63.40-63.20
Apr-Jne	62.50-62.60	61.80-62.80	63.10-61.70
Jly-Sept	65.80-65.90	65.20-65.50	66.50-65.00
Oct-Dec	68.70-68.80	67.80-68.00	69.40-67.80
Jan-Mar	71.50-71.80	70.60-70.80	72.00-70.90
Apl-Jne.	74.40-74.70	73.40-73.80	74.70
Jly-Sept	76.90-77.00	76.20-76.40	—
Oct-Dec.	79.50-79.90	78.80-78.90	—

Sales: 683 (493) at 15 tonnes, and 13 at 5 tonnes. Physical closing prices (buyer) were: Spot 59.00p (58.50p), April 63.25p (same), May 64.50p (64.00p).

SOYABEAN MEAL

The London market opened fractionally easier on continued long liquidation, reports T. G. Roddick. Prices remained within a narrow trading range throughout the afternoon to close around unchanged.

	Yest'rd'ys Close £ per tonne	+ or —	Business Done
April	122.00-23.0	—0.45	123.00-22.50
June	125.30-25.4	—0.10	125.50-24.80
August	127.40-27.6	—0.30	127.50-26.70
October	128.00-28.5	......	129.00
December	128.00-33.0	+0.50	—
February	129.00-34.0	+1.0	—
April	129.00-36.0	+0.50	—

Sales: 119 (68) lots of 100 tonnes.

SUGAR

LONDON DAILY PRICE (raw sugar £240.00 (£242.0) a tonne cif for March-April shipments. White sugar daily price was £270.00 (£273.00).

No. 4 Con-tract	Yest'rdy's Close	Previous Close	Business Done
	£ per tonne		
May	247.00-47.25	244.80-44.85	248.50-42.25
Aug	244.20-44.25	241.55-41.60	246.80-40.00
Oct	240.75-41.00	238.30-38.35	241.75-27.00
Jan	226.80-27.00	223.75-24.00	226.50-20.00
March	226.80-27.00	225.25-25.75	225.00-20.50
May	226.80-28.50	223.60-24.00	225.00-21.50
Aug	226.00-26.50	225.45-24.05	221.50-20.00

Sales: 7,203 (13,355) lots of 50 tonnes.

Tate and Lyle ex-refinery price for granulated basis white sugar was £342.5 (same) a tonne for home trade and £320.00 (same) for export.

International Sugar Agreement (U.S. cents per pound fob and stowed Caribbean port. Prices for March 5: Daily price 21.56 (22.30): 15-day average 23.22 (23.48).

First trades were some £3 above kerb levels but the gains were soon lost. Thereafter the market remained steady until the afternoon when prices rallied again following improving New York quotations. Final prices were around the high points, reports C. Czarnikow.

AMERICAN MARKETS

NEW YORK, March 6.

PRECIOUS METALS and copper advanced on light short covering and commission house buying. Cotton advanced moderately after the market failed to sell off on poor export performance. Sugar was basically unchanged or mixed with light industrial price fixing providing support. Coffee and cocoa were mixed on lack of fresh developments and on arbitrage selling. The livestock markets rallied significantly. Grains and soyabeans rallied moderately in a lightly trading market with the support provided by commission houses and commercial accounts, reported Heinold.

Copper—March 79.70 (79.05). April 80.50 (80.00), May 81.50-81.80, July 84.00-84.35, Sept. 86.60, Dec. 89.80, Jan. 90.65, March 92.65, May 94.65, July 96.65, Sept. 98.55, Dec. 101.40, Jan. 102.35. Sales: 6,000.

Potatoes (round whites)—April 146.8-147.4 (142.7), Nov. 87.8-88.2 (88.5). Sales: 2,527.

Sugar — No. 11: May 22.30-22.35 (22.26), July 22.35-22.40 (22.49), Sept. 22.15-22.25, Oct. 22.10, Jan. 20.60-20.65, March 20.85, May 20.90, July 20.82-20.96. Sales: 8,841.

Tin—616.0-629.0 (618.0-625.0).

CHICAGO, March 6.

Lard—Chicago loose 19.75 (same).

Live Cattle—April 64.45-64.70 (63.47), June 67.70-67.60 (66.60), Aug. 67.85-67.90, Oct. 66.45-66.35, Dec. 67.40-67.32, Feb. 68.10, April 69.00.

Live Hogs—April 44.15-43.90 (43.37), June 48.35-48.25 (47.45), July 49.35-49.45, Aug. 48.15, Oct. 47.35, Dec. 50.60, Feb. 53.85, April 52.50, June 56.95.

‡‡Maize—March 348½-349 (348¼), May 356½-356¾ (355¼), July 362½-362, Sept. 357½, Dec. 354¼-355, March 365-365½.

Pork Bellies — March 48.65-48.50 (47.72). May 50.35-50.20 (49.52), July 52.00-51.70, Aug. 51.00-51.10, Feb. 63.00, March 62.75, May —.

Silver—March 1170.0 (1180.0). April 1187.5 (1190.0), May —, June 1214.0, Aug. 1244.0, Oct. 1274.0, Dec. 1304.0, Feb. 1334.0, April 1364.0, June 1394.0, Aug. 1424.0, Oct. 1454.0, April 1544.0, June 1574.0, Aug. 1604.0, Oct. —.

†Soyabeans—March 708½-709 (703½). May 732-734 (726½), July 756-755, Aug. 762½, Sept. 767½, Nov. 780-781, Jan. 799½, March 821½.

‖Soyabean Meal—March 202.5-202.0 (201.0). May 208.5-209.0 (207.3), July 214.1-214.5, Aug. 217.0, Sept. 220.0, Oct. 222.5-223.0, Dec. 224.2-224.5, Jan. 226.5, March —, May —.

Soyabean Oil — March 23.43-23.40 (23.25). May 23.97-24.03 (23.87), July 24.70-24.80, Aug. 25.05, Sept. 25.30, Oct. 25.50, Dec. 26.00-26.10, Jan. 26.25, March 26.85-26.95, May 27.35-27.45.

†Wheat—March 428½ (427). May 435-434 (432¼), July 431½-430½, Sept. 444-444½, Dec. 465½-466, March 483.

WINNIPEG, March 6. §Barley—March 148.50 (145.30). May 149.50 (147.70), July 150.50, Oct. 150.10, Dec. 149.50.

All cents per pound ex-warehouse unless otherwise stated. * $ per troy ounce. ¶ Cents per troy ounce. ‡‡ Cents per 56-lb bushel. † Cents per 60-lb bushel. ‖ $ per short ton (2,000 lbs). § $Can. per metric ton. §§ $ per 1,000 sq feet. ‡ Cents per dozen. †† $ per metric ton.

Thursday's closing prices

NEW YORK, March 5.

††Cocoa—March 1935 (1950). May 1960 (1975), July 2010, Sept. 2064, Dec. 2124, March 2189, May 2244, July —. Sales: 1,627.

Coffee—"C" Contract—March 121.05-121.30 (120.65), May 123.25-123.75 (123.00), July 124.50-124.75, Sept. 125.80-126.00, Dec. 124.25-124.40, March 123.75, May 123.30-124.50, July 123.00-125.00. Sales: 985.

Cotton—No. 2: March 87.30 (87.25). May 87.90-88.05 (87.97). July 87.80, Oct. 84.55, Dec. 81.60, March 82.25-82.75, May 82.77-83.25, July 83.70-84.00. Sales: 4,000.

*Gold—March 464.0 (458.7), April 465.0-467.5 (461.0). May 471.6, June 476.5-477.0, Aug. 488.0, Oct. 499.3, Dec. 511.0, Feb. 522.2, April 534.5, June 543.0, Aug. 557.4, Oct. 569.6, Dec. 581.8. Sales: 32,000.

Orange Juice—March 134.20 (133.80), May 140.20-140.80 (139.70), July 145.00, Sept. 148.00, Nov. 146.00-146.25, Jan. 142.30, March 143.05-143.50, May 143.75, July 144.65-145.50. Sales: 1,300.

*Platinum — March 438.0 (435.0). April 441.0-442.5 (439.2), May —, July 461.5, Oct. 481.0, Jan. 498.9, April 517.9. Sales: 1,661.

¶Silver—March 1168.5-1170.0 (1143.0). April 1182.5 (1170.0), May 1192.0-1200.0, July 1227.0, Sept. 1257.0, Dec. 1309.5, Jan. 1325.5, March 1357.5, May 1389.5, July 1421.5, Sept. 1453.5, Dec. 1501.5. Sales: 4,500. Handy and Harman bullion spot 162.0 (1162.0).

CHICAGO, March 5.

Chicago Imm Gold—March 466.0-465.0 (459.0), April 463.0 (461.5), June 477.0-476.5, July 476.5, Sept. 493.5, Oct. 493.2, Dec. 512.0, Jan. 510.0, March 526.0, April 527.1.

WINNIPEG, March 5. §Barley—March 145.30 (145.00). May 147.70 (148.00). July 149.10, Oct. 149.30, Dec. 149.10.

§Wheat—SCWRS 13.5 per cent protein content cif St. Lawrence 267.95 (265.30).

INDICES

FINANCIAL TIMES

Mar. 5	Mar. 4	Month ago	Year ago
257.05	256.40	254.48	307.54

(Base: July 1, 1952=100).

MOODY'S

Mar. 5	Mar. 4	Month ago	Year ago
1123.2	1125.9	1164.5	1427.6

(December 31, 1931=100)

DOW JONES

Dow Jones	Mar. 5	Mar. 4	Month ago	Year ago
Spot	414.36	417.33	421.59	441.88
Fut'rs	427.88	429.71	459.12	465.44

(Average 1924-25-26=100)

REUTERS

Mar. 6	Mar. 5	M'nth ago	Year ago
1724.3	1723.0	1697.5	1775.8

(Base: September 18, 1931=100)

MEAT/VEGETABLES

COVENT GARDEN—Prices for the bulk of produce, in sterling per package except where otherwise stated: Imported Produce: Oranges—Jaffa: Shamoutis 50/189 4.30-5.05; Spania: Navels 48/100 4.00-4.50; Moroccan: Navels 56/125 3.40-3.80; Cyprus: 25/54 2.20-2.40; Cyprus: 10-kg 4.00-4.50; Californian: 95/140 6.00-6.50; Italian: 100/120 3.75-4.50; S. African: 80/100 5.80; Jaffa: 5.80, ½-boxes 40/45 2.80. Grapefruit—Cyprus: 20-kg 40/64 3.00-4.00; Jaffa: 20-kg 36 4.45, 40 4.50, 48 4.65, 56 4.40, 64 4.05, 75 3.85; Egyptian: 30/100 2.50. Satsumas—Spania: 90/105/126 4.00, 144/154 3.70, 168 3.50. Mandarins—Spania: 126/140 4.20, 154 4.00, 168 3.80, 182 5.60. Wilkings—Spania: 140 5.20, 154 4.80, 168 4.60, 182 4.00; Jaffa: 22-lb 80/90 4.20. Temples—Jaffa: 24-lb 80/82 5.00-5.40. Apples—French: Stark Crimson 40-lb 4.20-5.40, 20-lb 72 2.60, 84 2.10,

Manning accord for three BSC works in Scotland signed

BY CHRISTIAN TYLER, LABOUR EDITOR

AN AGREEMENT which is said to bring the British Steel Corporation's Ravenscraig, Gartcosh and Hunterston operations in Scotland up to international levels of manning was signed by all trade unions at the plants yesterday.

Union leaders were pleased that the number of redundancies will be 200 less than envisaged in the BSC corporate plan for the 6,000-man strip plants.

The unions have agreed to give up many old demarcation lines, and process workers will co-operate more closely with craftsmen. In the extreme case electricians will give up their exclusive right to change light bulbs.

The deal could mean an increase in earnings of 10 per cent or more if present record output is maintained or improved, according to the Iron and Steel Trades Confederation.

Mr. Clive Lewis, divisional officer for the confederation, said last night: "Management as well as unions have taken the necessary steps to ensure the future of the works. We now want the Government to tackle the staggering energy costs of the industry as recommended by the National Economic Development Council."

The Ravenscraig deal is the latest in a programme in which BSC wants to shed about 22,000 jobs but only ½m tonnes of capacity. A further review of BSC's fortunes in the summer could, however, mean more redundancies and the closure of a major works.

Alan Pike writes: BSC management will be looking for major output improvements at Ravenscraig, which has not enjoyed the same productivity performance as other big plants. If the corporation had to make further capacity cuts later this year Ravenscraig and Gartcosh would undoubtedly be among the targets under consideration.

Office of Fair Trading drops milk investigation

BY DAVID CHURCHILL, CONSUMER AFFAIRS CORRESPONDENT

THE Office of Fair Trading has decided not to launch a formal investigation into the supply of milk to supermarkets.

The decision, announced yesterday, follows several months of informal probing of the dairy industry. The OFT had received complaints from major supermarket chains that they could not buy milk from dairies at a price which would enable them to sell it cheaper than milk delivered to the doorstep.

The supermarkets argued that consumers should be given the choice of paying less for milk bought from shops since there were no doorstep delivery costs involved. But the dairies feared that substantial sales of milk through supermarkets would make it uneconomic to continue doorstep milk deliveries.

However, the OFT said yesterday that during its informal investigation, "substantial changes had occurred in the market and that a far more competitive situation had developed." The OFT said that the dairies now made it possible for a number of major retailers to "sell milk in cartons at prices below the dorstep price."

The OFT is, however, concerned that the increase in competition could prove only tempoary. Mr. Gordon Borrie, director-general of the OFT, said he intended "to keep trends very closel under scrutin and I shall not hesitate to review m decision if there are signs of muted competition."

The Consumers' Association said last night that it would also monitor milk prices to see if prices rose now that the threat of a Monopolies Commission investigation had been lifted.

Sir John Sainsbury, chairman of J. Sainsbury which was the first supermarket to sell cheaper milk, last night welcomed the OFT's decision. Sir John said that Sainsbury's still hoped to reduce the price of carton milke even further.

Plea for independent body on telephone companies

BY JASON CRISP

THE LICENSING of companies to compete with British Telecom should be administered by an independent body similar to the Civil Aviation Authority, according to the National Computing Centre.

In a submission to Sir Keith Joseph, the Industry Secretary, the centre—a body jointly headed by Government and industry—warns that proposals to liberalise the telecommunica tions market cover a possibility that British Telecom may retain a *de facto* control of licensing. Alternatively, it will be controlled by the Department of Industry, without any public discussion.

The National Computing Centre points out that British Telecom has very close contact with the Department of Industry, allowing its views to be regularly considered, "but this is not true in any representative way for other parties."

It calls for an independent representative body to license competing companies. The body should not be bureaucratic, but of sufficient authority and stature to advise the Secretary of State.

The centre is also concerned that proposals contained in the British Telecommunications Bill — which will liberalise British Telecom's monopoly—look as if they are centred around present-day telephony.

"We would stress the importance of taking full account of the requirements of data communications and of the impact of the future integration of speech and data services in implementation decisions," it says.

The submission follows consultation of 146 organisations by the NCC, of which 90 per cent are involved in data communications.

Docklands road schemes approved

ROAD SCHEMES costing £97m to open up the docklands area of east London have been approved by the Greater London Council.

The largest of the three schemes announced yesterday is the £74m docklands northern relief route. This is planned to run for more than two miles from Canning Town flyover to Commercial Road.

Eleven million pounds will be spent on improving sections of the Isle of Dogs loop road and on widening Lower Road Rotherhithe, the southern link to the Rotherhithe tunnel.

Work will start in 198586.

EUROPEAN OPTIONS EXCHANGE

Series		Mar. Vol.	Mar. Last	June Vol.	June Last	Sept. Vol.	Sept. Last	Stock
GM C	$45	1	5⅛	—	—	—	—	$49½
GM C	$50	4	1⅜	—	—	—	—	"
		April		July		Oct.		
ABN C	F.280	2	12	4	12	—	—	F.285
ABN C	F.300	9	4A	10	5	2	9	"
ABN C	F.320	10	1.50	—	—	—	—	"
AKZO C	F.15	10	2.60	—	—	—	—	F.17.40
AKZO C	F.17.50	15	0.80	—	—	—	—	"
AKZO C	F.20	—	—	24	1	62	1.40	"
AMRO C	F.60	—	—	5	0.80	—	—	F.55
HEIN C	F.55	40	1.80	—	—	1	4.80	F.55.20
HEIN C	F.60	5	0.70	—	—	—	—	"
HEIN P	F.50	—	—	3	1	—	—	"
HEIN P	F.55	5	2	—	—	1	4.30	"
HEIN P	F.60	1	5.80	—	—	—	—	"
HOOG C	F.15	17	2.80	—	—	—	—	F.17.60
HOOG C	F.17.50	5	0.80	10	1.80	—	—	"
IBM C	$60	4	4⅜	—	—	3	7⅝	$62¼
IBM C	$65	5	1⅞	—	—	—	—	"
IBM C	$70	2	1¼	—	—	—	—	"
KLM C	F.65	—	—	2	13.70	—	—	F.77.30
KLM C	F.70	—	—	5	9.30 B	1	11	"
KLM C	F.80	31	2.90	25	5.40	7	6.80	"
NATN C	F.120	12	7.50	—	—	—	—	F.126.30
NATN C	F.125	—	—	—	—	1	6	"
PHIL C	F.15	9	3.10 B	—	—	4	3.70	F.18
PHIL C	F.17.50	227	0.90	8	1.70	18	2 A	"
PHIL C	F.20	9	0.20 A	20	0.60	87	0.90	"
PHIL P	F.17.50	15	0.60	10	1.10 A	—	—	"
PHIL P	F.20	61	2.10	32	3.10	5	3.20	"
OLIE C	F.90	14	12.50	—	—	—	—	F.101.20
OLIE C	F.95	10	8.00	—	—	—	—	"
OLIE C	F.100	148	4.70	1	6.90	14	8.50	"
OLIE C	F.110	426	1.00	73	2.70	—	—	"
OLIE C	F.120	166	0.20	27	1	—	—	"
OLIE P	F.90	262	0.30	—	—	—	—	"
OLIE P	F.95	—	—	1	2.20	—	—	"
OLIE P	F.100	56	2.20	—	—	5	66.0	"
UNIL C	F.120	11	14.50	—	—	—	—	F.135.00
UNIL C	F.135	10	2.50	1	3.30	10	6	"
EXON C	$70	5	2¼	5	4⅛	—	—	$69½
		May		Aug.		Nov.		
BOEI C	$35	4	2⅛	—	—	—	—	$34⅝
BOEI C	$40	5	⅝	—	—	—	—	"
BOEI P	$35	2	1¾	—	—	—	—	"
OCCI C	$30	1	1⅛	—	—	—	—	$28⅝
SLUM C	$100	5	9¾	—	—	—	—	$103⅝
SLUM C	$110	4	4¼	1	8½	—	—	"
SLUM C	$120	8	1⅝	9	4½	—	—	"
SLUM C	$130	—	—	1	2½	—	—	"
VW C	DM.150	10	4	—	—	—	—	DM149.50
VW C	DM.160	—	—	5	2	—	—	"

TOTAL VOLUME IN CONTRACTS 2163

A=Asked B=Bid C=Call P=Put

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Stock Exchange business done

The list below, restricted mainly to equities to conserve space, has been taken with consent from last Thursday's Stock Exchange Official List and should not be reproduced without permission. It shows prices at which business was done in the 24 hours up to 3.30 pm on Thursday and settled through the Stock Exchange's Talisman checking system.

The prices are not in order of execution, but in ascending order which denotes the day's highest and lowest dealing price.

For those shares in which no business was recorded in Thursday's Official List, the latest recorded business done during the previous four business days is given with relevant dates appended. The number of bargains done on Thursday in each section is shown against the respective sub-headings. Unless otherwise indicated the shares are 25p fully-paid.

‡ Bargains at special prices. Δ Bargains done with a non-member or executed in overseas market. ⊕ Bargains done previous day. SA—$Australian; $B—$Bahamas; $C—$Canadian; $HK—$Hong Kong; $J—$Jamaican; $Ma—$Malayan; $Me—$Mexican; $NZ—$New Zealand; $S—$Singapore; $US—$United States; $WI—$West Indian.

BANKS, DISCOUNT (604)

BREWERIES (588)

COMMERCIAL (10,711)

A—B

Berwick Tempo 62 ¼
Bestobell 335
Bett Bros (20p) 54 (3/3)
Bevan (D.F.) (Hldgs.) (5p) 13
Bibby (J.) (50p) 270 2 3 4 6 80 2 3 4 5½ 8
Biddle Hldgs. 99
Bifurcated Eng. 27 9 (2/3)
Billam (J.) 690
Birmid Qualcast 23½ 4 ¼ ⅜ ½ ⅝ 5 ½
Birmingham Mint 230.
Birmingham Pallet Gp. (10p) 44
Bishop's Stores A N-V 82
Black & Edgington (50p) 35½ 6 7 9
Black Arrow Gp. (50p) 22
Black (P.) Hldgs. 128
Blackwood Hodge 41½ 2 3
Blackwood, Morton & Sons (Hldgs.) 12⅛
Blagden & Noakes (Hldgs.) 97 100
Blackleys (20p) 105 (3/3)
Blue Circle Indus. 370 1 2 4 6 8
Bluebird Confectionery Hldgs. 63 6
Bigemel Bros. 32 3 4
Blundell-Permoglaze Hldgs. 78
Boardman (K. O.) Internatl. (5p) 7½ 8¼
Bodycote Internatl. 57
Boeing (55) 16

C—D

E—F

Feedex Agricul. (10p) 33½ 4 6
Fenner (J. H.) (Hldgs.) 147 8 9 50 1
Ferguson Indust. Hldgs. 66 7 ¼
Ferranti (50p) 540 5 50
Ferry Pickering (10p) 69½ 70 (27/2)
Fidelity Radio (10p) 31 2 3
Findlay Hardware 21
Fine Art Develop. (5p) 61½ 2 ½ 3
Finlan (John) (10p) 127 8 9.
Finlay (James) 111 3 4
Finlay Packaging (5p) 19

G—H

Leadenhall Sterling 60 (3/3)
Leaderflush (Hldgs.) Ord. (10p) 25 (2/3)
Lec Refrigeration 102½ 4 5
Lee (Arthur) and Sons Ord. (12½p) 10 ½ ¾ 1 ½
Lee Cooper Grp. 155 8 61
Leech (Wm.) Ord. (20p) 90 1 13
Leeds and District Dyers and Finishers 60
Lees (John J.) Ord. (10p) 44
Leigh Interests Ord. (5p) 172 5 7

I—J—K

L—M

N—O—P

Q—R—S

T—U—V

UKO Intnl. 53 ½ 6
U.U. Textiles 13 3
Ulster TV Non. V A 59 60
Uniflex Hldgs. (10p) 44
Unigate 104 5 ½ 6 ½ 7 ½
Unilever 485 8 ½ 7 8 9 90
Unilever NV 15.6 7
Union Steel Corp. (of S. Africa) (R0.50) 47 (3/3)
Unitech (10p) 248½ 9 50 2 5 6 7 8 9 61
United Biscuits (Hldgs.) 86 7 8 9 90
United Carriers (10p) 130½ 1 2 3 4
United City Merchants (10p) 23 ¼ 4 5
United Engineering (10p) 152
United Gas Inds. (25p) 47 ½ ¾ 8 ½
United Guarantee (5p) 11½
United Newspapers 192 (4/3)

W—Y—Z

FINANCIAL TRUSTS (392)

INSURANCE (501)

INVESTMENT TRUSTS (569)

Alliance Trust 253½ 4 5 7
Altifund Inc. 163 4 (4/3). Cap. Shs. 314 5 8 20
Alva Inv. 188 (27/2)
Ambrose Inv. Tst. Cap 76 7 8
American Tst. 67½
Anglo American Secs. Corp. 127 8 9
Anglo-Intnl. Inv. Tst. 57½ (4/3). Asset 194 (27/2)
Anglo Scottish Inv. Tst. 65
Archimedes Inv. Tst. 97 (2/3). Cap (50p) 51½ (3/3)
Ashdown Inv. Tst. 183⅛ 4
Atlanta, Balt & Chic Reg. Inv. Tst. (10p) 70¼ ½ (2/3)
Atlantic Assets Tst. 209¼⊕ p232
Atlas Elec. & Gen. Tst. 85½ 6½ 7

Free travel for jobless possible

By Our Labour Editor

THE GOVERNMENT is considering a trade union request for cheap or free transport for the unemployed so they can travel more easily to look for work.

A letter to the Transport and General Workers' Union from Mr. James Prior, the Employment Secretary, refers favourably to an experiment along these lines to be conducted in South Wales.

CONTRACTS

FERRANTI COMPUTER SYSTEMS has won an order worth £500,000 from the British Steel Corporation's Welsh Division, for a twin Argus 700G computer system. The computers will control and track material through the continuous steel slab casting machine currently being constructed at Port Talbot, West Glamorgan.

★

SIMON-CROFTSHAW, Long Melford, Suffolk (a Simon Engineering company) has won *a £500,000 contract for a 92,000* (extendible to 138,000) cu ft/min. plant, to recover solvents from two Cerrutti multi-head rotogravure printing presses to be used for printing the TV Times. The microprocessor-controlled plant is to be installed at Sun Printers, Watford, part of the BPC Group.

★

KEMBREY WIRING SYSTEMS, Swindon, has secured contracts from Rolls Royce aero division, Bristol, worth over £500,000 for wiring harness to be fitted to the RB 199 engines of the Panavia Tornado aircraft.

★

JAMES DREWITT AND SON has a £165,000 contract for alterations and extensions to the Pathological Department at Poole General Hospital for the Dorset Area Health Authority.

★

An order worth over £250,000 has been won by **MATHER AND PLATT** (part of the Wormald International Group), for three diesel-engine-driven horizontal split-casing fire pumps and three electric-motor-driven fire pumps with the motor directly mounted onto the pump, for use at the Esso refinery, Fawley. The order is from Foster Wheeler, main contractor.

★

MARCONI COMMUNICATION SYSTEMS, a GEC-Marconi Electronics company, has received a further order, worth over £5m, from the Ministry of Defence (Procurement Executive) *for TRIFFID* transportable uhf radio relay equipment for the British Army. This brings the total Ministry of Defence orders for TRIFFID to over £30m. TRIFFID (TRC-471) will be used as the principal radio relay bearer for the British Army' new trunk field communications system, Ptarmigan. Based on the Siemens FM 200 communications equipment, TRIFFID was developed by Marconi in conjunction with Siemens AG and AEG Telefunken. It is able to operate in three bands between 225 and 1850MHz by using three interchangeable rf amplifier units providing 8200 channels.

★

SIMPLEX PILING, a member of the French Kier Group, has been awarded contracts totalling some £1,200,000. The largest is for about £1m and covers two contracts on two lengths of the M25 motorway for Costain Civil Engineering with the work to be carried out over the next 12 months.

RULE 163 (2) (a)

Applications granted in specific bargains in securities not listed on any Stock Exchange.

* Denotes Irish currency.

Standard Oil of Indiana £51½
Standard Oil of Ohio £27½ 1-64th
Sterling Pets. 11½ (27/2)
Storage Technologies 910
Strata Oil 168 70
Strata Oil Options 1490 500 50 (4/3)
Struthers Wells 725
Sulpetro B 815
Sun Hung Kai Props. 140 1½ 4½
Swan Resources 47½
Swire Pacific A 124½ 13¼ 14½ 15 ½ 16 ½ 17 18 22½ 3½
Swire Pacific B 20

Baker Electronics 25½ 45
Baxter (W. H.) 75
BET Omnibus 158 (4/3)
Bishopsgate 35 (4/3)
Bonusbond Hldgs. 162 (4/3)
Booth (C.) 13 (3/3)
Border TV A 19 (4/3)
Borelli Invs. 173 5 (4/3)
Brint Invs. 426 7½ 5 (4/3)
British Uralite 6½ (3/3)
Caledonian Offshore 260 70 (5/3)
Caledonian Offshore 4pcCnv. (£5 Pd.) £35 4 (27/2)
Cambridge Petroleum Royalties 315 20
Camra (Real Ale) Invs. 100 (4/3)

Manchester Utd. FC 163 5
Manordale 30 (3/3)
Manx Petroleum 31 (3/3)
Mapalagama Rubber 21 (27/2)
Nationwide Leisure 10 11 (4/3)
Nimslo European 681 93 715 (4/3)
Nimslo European 14pcAUns.Ln. £85 (4/3)
Nimslo European 14pcBUns.Ln. £55.3 (4/3)
NMW Computers £10.55 11.00 11.75 (4/3)
North Sea Assets 147 8 50
Norton Villiers Triumph 2 (3/3)
ORE 160
Oldham Brewery 68 70 (2/3)

RULE 163 (3)

Bargains marked for approved companies engaged solely in mineral exploration

* Denotes Irish currency.

Aran Energy 382 90 3 5 400 510*
Berkeley Exploration and Production (50p Paid) 268 70 1 2 3
Candecca Resources 226 7 ½ 8 9 30 1 2
Floyd Oil Participations 125 6 30 2 3 5 6 7 8 40
Marinex Petroleum 158 60 2 3
South West Consd. Minerals 30 1 2 (27/2)
Sun Oil (UK) Oil Royalty 420 1½ 35

(By permission of the Stock Exchange Council)

PLANTATIONS (64)

OIL (1,105)

RAILWAYS (4)

SHIPPING (144)

UNLISTED SECURITIES

RULE 163 (1) (e)

Bargains marked in securities which are quoted or listed on an Overseas Stock Exchange

PROPERTY (495)

UNIT TRUSTS (22)

MINES Miscellaneous (458)

MINES South African (235)

LOCAL AUTHORITY BOND TABLE

Authority (telephone number in parentheses)	Annual gross interest	Interest payable	Minimum sum	Life of bond
	%		£	Year
Knowsley (051-548 6555)	13½	½-year	1,000	5-7

BUILDING SOCIETY RATES

	Deposit rate %	Share accounts %	Sub'pn shares %	*Term shares %
Abbey National	9.00	9.25	10.50	11.25 5 yrs., 10.75 4 yrs., 10.25 3 yrs.
Aid to Thrift	9.65	10.15	—	—
Alliance	9.00	9.25	10.50	11.25 5 yrs., 10.75 4 yrs., 10.25 3 yrs., 9.75 2 yrs., 9.50 1 yr.
Anglia	9.00	9.25	10.50	11.25 5 yrs., 10.75 4 yrs., 10.25 3 yrs.
Bradford and Bingley	9.00	9.25	10.50	10.00 one month's notice deposit
Bridgwater	9.00	9.25	10.75	11.25 5 yrs., 10.35 3 yrs.
Bristol Economic	9.00	9.25	10.50	10.00 3 months. Escalator shares 9.75-11.25 (1-5 years)
Britannia	9.00	9.25	10.50	10.75 4 yrs., 10.25 3 months' notice
Burnley	9.00	9.25	10.50	11.25 5 yrs., 10.75 4 yrs., 10.25 3 yrs.
Cardiff	9.00	10.25	11.25	—
Catholic	9.00	9.50	10.50	— Share a/cs 9.70 over £5,000
Chelsea	9.00	9.25	10.50	11.25 5 yrs., 10.65 1 yr., 10.30 6 mths.
Cheltenham and Gloucester	9.00	9.25	10.50	11.25 5 yrs., 10.75 4 yrs., 10.25 3 yrs.
Cheltenham and Gloucester	—	10.25	—	— Premium shares including 1.00 bonus p.a. (£15,000 or £20,000)
Citizens Regency	9.00	9.55	10.75	11.55 5 yrs., 10.55 3 yrs., 10.05 1 yr.
City of London (The)	9.25	9.50	10.50	10.25 2 months.
Coventry Economic	9.00	9.25	10.50	10.75 4 yrs., 10.25 3 yrs., 10.00 3 mths.
Coventry Provident	9.00	9.25	11.25	11.30 av. 5 yrs., 10.75 4 yrs., 10 3 mths.
Derbyshire	9.00	9.25	10.50	9.50 to 10.00 3 months
Ealing and Acton	9.00	9.75	—	10.40 2 yrs., £2,000 minimum
Gateway	9.00	9.25	10.50	9.50 6 mths. rising to 11.25 5 yrs.
Greenwich	—	9.50	10.75	11.50 5 yrs., 11.00 4 yrs., 10.50 3 yrs.
Guardian	9.00	9.50	—	11.00 6 mth., 10.50 3 mth., min. £1,000
Halifax	9.00	9.25	10.50	11.25 5 yrs., 10.75 4 yrs., 10.25 3 yrs.
Heart of England	9.00	9.25	10.50	— 3 mths. notice 10.00. 5 yrs. 11.25
Hearts of Oak and Enfield	9.00	9.50	11.00	10.75 4 yrs., 10.50 3 yrs., 10.25 2 yrs.
Hendon	9.50	10.00	—	11.00 6 mths. minimum £2,000
Huddersfield and Bradford	9.00	9.25	10.00	11.25 5 yrs., 10.75 4 yrs., 10.25 3 yrs., 9.75 2 yrs.
Lambeth	9.00	9.50	11.25	11.25 5 yrs., 11.00 6 months' notice
Leamington Spa	9.10	9.35	12.45	10.85 1 year
Leeds Permanent	9.00	9.25	10.50	11.25 5 yrs., Optns. fm. 9.50 (6 mths.)
Leicester	9.00	9.25	10.50	11.25 5 yrs., 10.75 4 yrs., 10.25 3 yrs.
Liverpool	9.00	9.25	10.70	11.25 5 yrs. minimum £1,000
London Grosvenor	8.75	10.25	11.00	10.75 6 months' notice
Melton Mowbray	9.10	9.35	10.50	11.85 6 yrs., 10.85 4 yrs., 10.10 2 yrs.
Mornington	9.75	10.25	—	—
National Counties	9.25	9.55	10.55	— 35 days' notice 10.25 min. dep. £500, 6 mths. 10.65
Nationwide	9.00	9.25	10.50	11.25 5 yrs., 10.75 4 yrs., 9.75 1 yr.
New Cross	9.75	10.00	10.00	11.25 on share accs., depending on min. balance over 6 mths.
Northern Rock	9.00	9.25	10.50	11.25 5 yrs., 10.75 4 yrs., 10.25 3 yrs.
Norwich	9.00	9.25	10.75	10.25 3 yrs., 10.00 2 yrs., min. £500
Paddington	8.75	9.75	11.25	10.50 6 mths., 10.25 3 mths.
Peckham Mutual	9.25	9.55	—	—
Portman	9.00	9.25	10.50	11.25 5 yrs., 10.30 6 mths.
Portsmouth	9.35	9.55	11.05	11.60 5 yrs., 11.00 6 mths.
Property Owners	9.25	9.75	11.20	11.25 4 yrs., 11 6 mths., 10.50 3 mths.
Provincial	9.00	9.25	10.50	10.25 5, 4, 3 yrs., 9.75 2 yrs.
Skipton	9.00	9.25	10.50	11.25 5 yrs., 10.35 wdl. 1 mth. loss int.
Sussex County	9.25	9.50	11.30	11.30 5 yrs., 10.90 4 yrs., 10.50 3 yrs.
Sussex Mutual	9.25	9.80	11.25	10.00-11.25 all with special options
Town and Country	9.00	9.25	10.50	11.25 5 yrs., 10.75 4 yrs., 10.25 3 yrs.
Walthamstow	9.00	9.50	10.50	10.50 6 months' notice, min. £1,000
Wessex	9.25	10.00	—	11.00 min. 3 yrs., 6 mth. notice of wdl.
Woolwich	9.00	9.25	10.50	9.50 (6 mths.) rising to 11.25

* Rates normally variable in line with changes in ordinary share rates.

All these rates are after basic rate tax liability has been settled on behalf of the investor.

UK MONEY MARKET

Bank of England Minimum Lending Rate 14 per cent (from November 24, 1980)

The Treasury bill rate fell by 0.1945 per cent at yesterday's tender to 11.3912 per cent, and the minimum accepted bid rose to £97.15 from £97.10. Bids at that level were met as to about 62 per cent and above in full. The £100m of bills on offer attracted bids of £345.13m, and all bills offered were allotted. Next week a further £100m of bills will be on offer, replacing maturities of £200m.

Day to day credit was in short supply in the money market, and the authorities gave assistance on a large scale. This comprised moderate purchases of eligible bank bills, for repayment at a fixed future date, and a small amount of bills bought outright. The market was faced with a number of factors, all described as small. These were a net take up of Treasury bills, a rise in the note circulation, bank bills maturing in official hands and run down bank balances. In addition there was a final call on Exchequer 12¼ per cent 1999. On the other hand Government disbursements exceeded revenue transfers to the Exchequer by a moderate amount. In the inter-bank market weekend money opened at 16-16¼ per cent and traded as high as 23 per cent before finishing around 14 per cent.

EXCHANGES AND BULLION

Sterling and the U.S. dollar were slightly weaker in quiet pre-weekend trading in yesterday's foreign exchange market. The dollar had shown a firmer tendency earlier in the day, reflecting a higher trend in Euro-dollar rates, but lost ground later in the day. Sterling was easier ahead of Tuesday's budget, and the strong likelihood of a cut in interest rates. The pound's trade-weighted index finished at 98.7 on Bank of England figures, compared with 99.0 on Thursday. At noon it calculated at 98.5 and 98.9 in the morning. Against the dollar sterling opened at $2.1900 and eased to $2.1775 during the afternoon. It recovered on dollar weakness, however, to close at $2.1935-2.1945, a loss of one cent from Thursday's close. In terms of European currencies, it was unchanged against the Swiss franc at SwFr 4.2850, but eased against the D-mark to DM 4.6850

The dollar reacted favourably in early trading to higher Euro-dollar rates, but closed at DM 2.1350 against the D-mark, unchanged from Thursday, after a high of DM 2.1530. Against the Swiss franc it finished at SwFr 1.9550 from SwFr 1.9425, but was unchanged against the Japanese yen at Y208.80. On Bank of England figures, the dollar's index was slightly higher at 100.8 against 100.7.

Gold rose $5 an ounce in the London bullion market to close at $467-470, showing a fall on the week of $22 an ounce.

THE POUND SPOT AND FORWARD

March 6	Day's Spread	Close	One month	% p.a.	Three months	% p.a.
U.S.	2.1775-2.1975	2.1935-2.1945	0.77-0.87c dis	−4.48	2.30-2.40dis	−4.28
Canada	2.6170-2.6370	2.6295-2.6305	1.00-1.10c dis	−4.79	3.00-3.15dis	−4.68
Nethlnd.	5.16-5.22	5.17-5.18	1c pm-par	1.16	1½-½ pm	0.77
Belgium	76.50-77.30	76.65-76.75	3c pm-7 dis	−0.31	20-30 dis	−1.30
Denmark	14.67-14.80	14.67½-14.69½	¼-1¾ore dis	−0.82	6¾-8¾ dis	−2.06
Ireland	1.2775-1.2905	1.2785-1.2805	par-0.13p dis	−0.61	0.42-0.59dis	−1.58
W. Ger.	4.67-4.72	4.68-4.69	¼pf pm-¾ dis	−0.64	1½-2¾ dis	−1.49
Portugal	124.50-126.00	125.25-125.45	20c pm-75 dis	−2.63	20pm-165dis	−2.31
Spain	190.30-192.00	191.50-191.70	35-90c dis	−3.91	185-240 dis	−4.44
Italy	2,253-2,277	2,270-2,272	9¾-11¾lire dis	−5.68	32½-35½ dis	−5.89
Norway	11.90-12.00	11.94½-11.96½	¾ore pm-⅞ dis	−0.12	⅞ pm-1 dis	−0.06
France	10.98-11.09	10.99-11.00	1½-½c pm	1.09	1 pm-par	0.18
Sweden	10.16-10.24	10.18-10.19	3-3¾ore dis	−3.98	10½-11¾ dis	−4.29
Japan	455-463	457½-458½	1.80-1.30y pm	4.06	4.65-4.20 pm	3.86
Austria	33.00-33.35	33.00-33.05	4½-½gro pm	0.91	2½-7 dis	−0.57
Switz.	4.26-4.31	4.28-4.29	1¾-¾c pm	3.50	3¾-2¾ pm	2.80

Belgian rate is for convertible francs. Financial franc 79.10-79.20. Six-month forward dollar 4.82-4.92c dis. 12-month 7.90-8.10c dis.

GOLD

	Mar. 6		Mar. 4	
Gold Bullion (fine ounce)				
Close	$467-470	(£213-214½)	$462-465	(£209½-211)
Opening	$463-466	(£211½-212¾)	$455-458	(£207-208½)
Morning fixing	$462	(£210.766)	$457	(£207.426)
Afternoon fixing	$467	(£212.776)	$461.50	(£209.392)
Gold Coins				
Krugerrand	$485½-487	(£221¼-222)	$476½-478	(£216¼-217)
1/2 Krugerrand	$250-252	(£114-115)	$245½-247½	(£111½-112¼)
1/4 Krugerand	$127-129	(£58-58¾)	$125-127	(£56¾-57½)
1/10 Krugerrand	$53½-55½	(£24½-25¼)	$52-54	(£23½-24½)
Mapleleaf	$481-482½	(£219¼-220)	$474-475½	(£215-215¾)
New Sovereigns	$118-119	(£53¾-54¼)	$116-117	(£52½-53)
King Sovereigns	$139-141	(£63½-64½)	$138-140	(£62½-63½)
Victoria Sovs.	$139-141	(£63½-64½)	$138-140	(£62½-63½)
French 20s	$175-178	(£79¾-81)	$175-178	(£79½-80¾)
50 pesos Mexico	$580-585	(£264½-266¾)	$572-577	(£259½-261¾)
100 Cor. Austria	$452-456	(£206-208)	$443-448	(£201-203¼)
$20 Eagles	$592-597	(£270-272¼)	$592-597	(£268½-271)

EXCHANGE CROSS RATES

Mar. 6	Pound Sterling	U.S. Dollar	Deutschem'k	Japan'se Yen	French Franc	Swiss Franc	Dutch Guild'	Italian Lira	Canada Dollar	Belgian Franc
Pound Sterling	1.	2.194	4.685	458.0	10.995	4.285	5.175	2271.	2.630	76.70
U.S. Dollar	0.456	1.	2.135	208.8	5.011	1.953	2.359	1035.	1.199	34.96
Deutschemark	0.213	0.468	1.	97.76	2.347	0.915	1.105	484.7	0.561	16.37
Japanese Yen 1,000	2.175	4.790	10.23	1000.	24.01	9.356	11.30	4959.	5.742	167.5
French Franc 10	0.910	1.995	4.261	416.6	10.	3.897	4.707	2065.	2.392	69.76
Swiss Franc	0.233	0.512	1.093	106.9	2.566	1.	1.208	530.0	0.614	17.90
Dutch Guilder	0.193	0.424	0.905	88.50	2.125	0.828	1.	438.8	0.508	14.82
Italian Lira 1,000	0.440	0.966	2.063	201.7	4.841	1.887	2.279	1000.	1.158	33.77
Canadian Dollar	0.380	0.834	1.781	174.1	4.181	1.629	1.968	863.5	1.	29.16
Belgian Franc 100	1.304	2.860	6.108	597.1	14.34	5.587	6.747	2961.	3.429	100.

FT LONDON INTERBANK FIXING (11.00 a.m. MARCH 6)

3 months U.S. dollars		6 months U.S. dollars	
bid 16 7/8	offer 17	bid 16 7/8	offer 17

The fixing rates are the arithmetic means, rounded to the nearest one-sixteenth, of the bid and offered rates of $10m quoted by the market to five reference banks at 11 am each working day. The banks are National Westminster Bank, Bank of Tokyo, Deutsche Bank, Banque Nationale de Paris and Morgan Guaranty Trust.

LONDON MONEY RATES

Mar. 6 1981	Sterling Certificate of deposit	Interbank	Local Authority deposits	Local Auth. negotiable bonds	Finance House Deposits	Company Deposits	Discount Market Deposits	Treasury Bills Φ	Eligible Bank Bills Φ	Fine Trade Bills Φ
Overnight	—	13-23	15-16	-	—	—	13-14	—	—	—
2 days notice	—	—	15	—	—	—	—	—	—	—
7 days or	—	—	—	—	—	—	—	—	—	—
7 days notice	—	15½-16	14⅞	—	16¼	—	14	—	—	—
One month	13 1/16-12 15/16	13¼-13¾	13¼-13½	14⅛-14	13⅞	14-14⅛	12⅛-12⅛	12 3/16	12⅞-13⅛	13¾
Two months	12 15/16-13⅛	12 15/16-13⅛	—	13⅝-13¼	13 1/2	13½	12-12¼	12¼	12¼-12⅝	13
Three months	12 13/16-12⅝	12⅛-12¾	12⅛	13⅛-12¾	12⅛	13-13⅛	11¾-12	11 15/16	11 11/16	12⅛
Six months	12¼-12⅛	12⅛-12 1/16	12-12¼	12⅝-12¼	13	12⅝	—	—	11⅝	12
Nine months	12 1/16-12 1/16	12⅛-12¼	—	12⅝-12¼	12⅝	12¾	—	—	—	—
One year	12⅛-12	12 1/16-12¼	12⅛-12¼	12½-12¼	12¼	12¾	—	—	—	—
Two years	—	—	12½-12⅞	—	—	—	—	—	—	—

Local authorities and finance houses seven days' notice, others seven days' fixed. Long-term local authority mortgage rates nominally three years 13 per cent; four years 13⅛-13¼ per cent; five years 13¾-13⅞ per cent. ΦBank bill rates in table are buying rates for prime paper. Buying rates for four-month bank bills 11¾ per cent; four-month trade bills 12⅞ per cent.

Approximate selling rate for one-month Treasury bills 12 11/16 per cent; two-months 12-12⅞ per cent; three-months 11 13/16-11⅞ per cent. Approximate selling rate for one-month bank bills 12⅞-13 per cent; two-months 12⅞-13 per cent; three-months 11 11/16 per cent; one-month trade bills 13½ per cent; two-months 12¾ per cent and three-months 12½ per cent.

Finance Houses Base Rates (published by the Finance Houses Association) 14 per cent from March 1, 1981. Clearing Bank Deposit Rates for sums at seven days' notice 11½-12 per cent. Clearing Bank Rates for lending 14 per cent. Treasury Bills: Average tender rates of discount 11.3912 per cent.

CURRENCY MOVEMENTS

Mar. 6	Bank of England Index	Morgan Guaranty Changes%
Sterling	98.7	−27.3
U.S. dollar	100.8	−3.4
Canadian dollar	85.0	−18.4
Austrian schilling	115.3	+21.6
Belgian franc	107.3	+8.7
Danish kroner	89.1	−10.6
Deutsche mark	120.2	+39.5
Swiss franc	133.5	+74.0
Guilder	112.0	+15.3
French franc	86.4	−9.7
Lira	60.9	−53.6
Yen	146.4	+42.1

Based on trade weighted changes from Washington agreement December, 1971. Bank of England Index (base average 1975=100).

EURO-CURRENCY INTEREST RATES (Market closing Rates)

Mar. 6	Sterling	U.S. Dollar	Canadian Dollar	Dutch Guilder	Swiss Franc	West German Mark	French Franc	Italian Lira	Belgian Franc Convertible	Japanese Yen
Short term	16¾-17¼	15¾-16	17-18	10⅞-11⅛	2-3	10⅛-11½	11¼-12	16-18	9½-10⅛	9-9½
7 days' notice	14½-15	15⅞-16⅛	17-18	11⅛-11¼	4½-5	12⅜-12⅝	11½-12	17-19	10-11	9¼-9½
Month	13⅛-13¼	17¼-17½	17⅛-17½	11 5/16-11 7/16	9 5/16-9 7/16	13 5/16-13 7/16	12⅛-13	18¼-19¼	12⅝-12⅞	9⅛-9⅜
Three months	12⅝-12½	16 7/16-16 9/16	17-17⅜	11½-11⅝	9 3/16-9 5/16	13 5/16-13 7/16	13⅛-13⅝	18¼-19¼	13¾-14	8½-8¾
Six months	12⅛-12¼	16 5/16-16 7/16	16⅝-16¾	11½-11⅝	9 5/16-9 7/16	13⅝-13½	13¼-13¾	18½-19⅛	13⅞-14⅛	8 7/16-8 9/16
One Year	12 7/16-12 9/16	16-16¼	15⅝-15¾	11½-11⅝	8 3/16-8 5/16	12⅜-12½	13⅜-13⅞	18¾-19¾	13⅞-14⅛	8 7/16-8 9/16

SDR linked deposits: one-month 14 5/16-14 11/16 per cent; three-months 14 3/16-14 7/16 per cent; six-months 13 15/16-14 3/16 per cent; one year 13 7/16-13 11/16 per cent.

Asian $ (closing rates in Singapore): one-month 17 7/16-17 9/16 per cent; three months 16 13/16-16 15/16 per cent; six-months 16⅞-17 per cent; one year 16 5/16-16 9/16 per cent. Long-term Eurodollar two years 15¾-16 per cent; three years 15½-15¾ per cent; four years 15⅜-15⅞ per cent; five years 15¼-15⅝ per cent; nominal closing rates. Short-term rates are call for U.S. dollars, Canadian dollars and Japanese yen; others two-days' notice.

The following nominal rates were quoted for London dollar certificates of deposit: one-month 16.10-16.20 per cent; three-months 16.20-16.30 per cent; six-months 16.25-16.35 per cent; one year 15.70-15.80 per cent.

EMS EUROPEAN CURRENCY UNIT RATES

	ECU central rates	Currency amounts against ECU March 6	% change from central rate	% change adjusted for divergence	Divergence limit %
Belgian Franc	39.7897	41.7051	+4.81	+1.78	±1.53
Danish Krone	7.72336	7.99823	+3.53	+0.50	±1.64
German D-Mark	2.48208	2.54414	+2.50	−0.53	±1.125
French Franc	5.84700	5.99213	+2.48	−0.56	±1.3557
Dutch Guilder	2.74362	2.81463	+2.59	−0.44	±1.512
Irish Punt	0.668201	0.695721	+4.12	+1.09	±1.668
Italian Lira	1157.79	1229.73	+6.21	+3.34	±4.08

Changes are for ECU, therefore positive change denotes a weak currency. Adjustment calculated by Financial Times.

OTHER CURRENCIES

Mar. 6	£	$		£ Note Rates
Argentina Peso	4968-4988	2263-2273	Austria	33.00-33.40
Australia Dollar	1.8960-1.9000	0.8650-0.8655	Belgium	78.70-79.50
Brazil Cruzeiro	156.85-157.85	71.51-71.87	Denmark	14.68-14.83
Finland Markka	9.024-9.041	4.1150-4.1170	France	10.98-11.08
Greek Drachma	112.182-115.009	52.05-52.20	Germany	4.68½-4.72
Hong Kong Dollar	11.74-11.75	5.3590-5.3630	Italy	2240-2360
Iran Rial	166.00*	76.00*	Japan	456-462
Kuwait Dinar (KD)	0.599-0.604	0.2745-0.2747	Netherlands	5.16-5.21
Luxembourg Frc.	76.65-76.75	34.97-34.99	Norway	11.93-12.05
Malaysia Dollar	5.0350-5.0450	2.2975-2.3005	Portugal	121-126
New Zealand Dlr	2.3900-2.3980	1.0915-1.0925	Spain	184½-195
Saudi Arab. Riyal	7.30-7.36	3.3500-3.3520	Sweden	10.19-10.29
Singapore Dollar	4.6150-4.6250	2.1075-2.1105	Switzerland	4.26½-4.31
Sth African Rand	1.7345-1.7365	0.7905-0.7915	United States	2.17-2.19
U.A.E. Dirham	8.01-8.07	3.6718-3.6738	Yugoslavia	77-80

Rate given for Argentina is free rate. * Selling rate.

U.K. CONVERTIBLE STOCKS 6/3/81

Statistics provided by *dataSTREAM International*

Name and description	Size (£m)	Current price	Terms*	Con-version dates♣	Flat yield	Red. yield	Premium† Current	Premium† Range‡	Income Equ.§	Income Conv.¶	Income Div.♡	Cheap(+) Dear(−)◊ Current
British Land 12pc Cv. 2002	9.71	330.00	333.3	80-97	3.7	0.7	− 1.0	− 5 to 0	18.1	90.6	21.7	+22.7
Hanson Trust 6½pc Cv. 88-93	3.02	128.00	57.1	76-82	5.2	2.8	− 2.2	− 9 to −0	7.1	6.3	− 0.6	+ 1.6
Slough Estates 10pc Cv. 87-90	5.44	276.00	187.5	76-86	3.6		− 4.4	− 5 to 1	35.7	37.9	0.7	+ 5.2
Slough Estates 8pc Cv. 91-94	24.88	132.00	78.0	80-91	6.1	4.3	9.9	7 to 16	27.1	47.5	17.0	+ 7.1

* Number of ordinary shares into which £100 nominal of convertible stock is convertible. † The extra cost of investment in convertible expressed as per cent of the cost of the equity in the convertible stock. ‡ Three-month range. § Income on number of ordinary shares into which £100 nominal of convertible stock is convertible. This income, expressed in pence, is summed from present time until income on ordinary shares is greater than income on £100 nominal of convertible or the final conversion date whichever is earlier. Income is assumed to grow at 10 per cent per annum and is present valued at 12 per cent per annum. ¶ Income on £100 of convertible. Income is summed until conversion and present valued at 12 per cent per annum. ♡ This is income of the convertible less income of the underlying equity expressed as per cent of the value of the underlying equity. ◊ The difference between the premium and income difference expressed as per cent of the value of underlying equity. + is an indication of relative cheapness. − is an indication of relative dearness. ♣ Second date is assumed date of conversion. This is not necessarily the last date of conversion.

Widespread setback prompted by nervous selling ahead of Budget—Equity index down 17.5 on the week

Account Dealing Dates

Option *First Dealings	Declarations	Last Dealings	Account Day
Feb. 9	Feb. 26	Feb. 27	Mar. 9
Mar. 2	Mar. 12	Mar. 13	Mar. 23
Mar. 16	Mar. 26	Mar. 27	Apr. 6

* "New time" dealings may take place from 9 am two business days earlier.

Uncertainty as to the contents of the Chancellor's Budget next Tuesday took hold of London stock markets yesterday and sentiment suffered in all sectors. Recent optimism concerning a large cut in Minimum Lending Rate faded completely and it was feared that the Chancellor's proposals would contain little to help industry recover from its present plight. In consequence, the equity leaders sustained a fairly widespread setback.

The tone was also affected by the power workers' rejection of a near 11 per cent pay offer, and the prospect of industrial action by civil servants. Against this backdrop, nervous offerings of leading shares found the market unwilling as dealers attempted to keep level books ahead of the Budget. The losses were exaggerated by the sensitive state of the market generally and the FT 30-share index closed 7.1 down at the day's lowest of 489.1, a fall on the week of 17.5.

Of the sectors, Banks retreated on revived fears of a possible "windfall tax" on profits and sustained double-figure falls, while Oils were affected by comment relating to the possible effects of the proposed new Petroleum Revenue Tax. Elsewhere, bid situations, both rumoured and actual, provided the odd firm feature, but there were few company trading statements to enliven a thoroughly drab trading session.

The scene in the Gilt-edged market was similar. Much of the day's business represented switching operations, with dealers here also attempting to maintain square book positions in front of the Budget. Mediums and longs opened ¼ lower and drifted off another ¼ to show falls extending to ½, before rallying to end with net falls of ⅜. Short-dated issues followed a similar pattern and finally recorded losses ranging to $\frac{3}{16}$. News of a U.S. prime rate cut to 18 per cent had little immediate impact.

Banks dull

A view that a "windfall profits" tax will be imposed in Tuesday's Budget unsettled the major clearing banks which closed with falls ranging to 15. Midland, the last to report preliminary results on March 20, fell that much to 320p, NatWest also declined 15 to 350p and Lloyds dipped 10 to 312p. Barclays cheapened 7 to 398p, after 396p, while Bank of Scotland ran back 7 to 296p.

London United Investments were an isolated firm feature in Insurances, rising 7 to 195p in response to Press comment. Other issues lost ground on small selling and lack of support. General Accident shed 10 to 314p and Royals 9 to 373p, while Hambro Life declined 13 to 337p and Pearl 10 to 432p.

A reasonable trade developed in Breweries but sellers had the upper hand. Allied eased 1½ to 64p and similar losses were sustained by Bass, 210p, and Whitbread, 150p.

Sporadic selling left its mark on leading Buildings and Blue Circle declined 8 to 364p, while Tarmac shed 3 at 295p. Certain Timbers, however, attracted a fair amount of speculative interest. Travis and Arnold gained 8 to a 1980-81 peak on takeover hopes. Elsewhere, Heywood Williams dropped to 23p before ending 3 off on balance at 27p, following the poor results. In contrast, Derek Crouch firmed 5 for a two-day gain of 15 at 168p on doubled annual profits. M.D.W., in receipt of a bid approach, rose 2 to 89p for a gain on the week of 24. Renewed West country demand in a *limited market lifted Roberts Adlard 10 to 113p, after 117p.*

The Chemical sector had a dull feature in Rentokil which dropped to 140p before closing 10 down on balance at 150p after lower preliminary profits. Business in the leaders remained small. ICI, at 248p, registered a fall on the week of 12, but over the same period Fisons gained 8 to 133p on revived bid speculation in the wake of poor results.

Stores easier

Leading Stores drifted to lower levels. Debenhams fell 3 more to 83p, as did W. H. Smith, to 148p, while Gussies A dipped 5 to 470p. Greenfields Leisure were marked down to 37p in immediate response to the substantially lower full-year profits, but consideration of the maintained dividend and quietly confident tone of the accompanying statement resulted in a close of 41p, down only 2 on balance. George Oliver Footwear closed 3 up at 93p despite the annual profits setback, while Moss Bros. picked up 5 more at 205p. Dealings in Lowland Drapery were suspended at 15p; the company has announced a reverse takeover with S. Ross, a private concern.

Secondary issues bore the brunt of the selling in Electricals. Farnell fell 18 to 350p, Unitech 16 to 236p, Electrocomponents 15 to 665p and STC 13 to 485p. United Scientific dipped 10 to 363p, while AB Electronic lost 4 at 96p. Racal, 8 down at 350p, led the retreat in the leaders, with Plessey closing 5 lower at 310p.

Engineerings plotted an irregular course in moderate trading. Still drawing strength from the impressive annual results, Ransomes Sims and Jefferies rose 4 more for a gain on the week of 24 to 164p. Ratcliffs (Great Bridge) put on 3 to 45p following comment highlighting the company's recovery prospects, while ML Holdings firmed 5 to 340p on renewed demand in a thin market. Ransome Hoffmann Pollard, however, dipped 4 to 77p, still reflecting the rationalisation of its Northampton operations. Westland fell 5 to 134p. Matthew Hall 4 to 354p and F. Pratt lost 4 more on profit-taking at 108p. Of the leaders, Hawker eased to 282p before closing a net 2 lower at 286p, but Tubes held steady, at 194p, awaiting Wednesday's results.

Avana shed 10 to 220p following adverse television publicity. Elsewhere, Lockwoods were suspended at 34p, and it was announced later that a receiver had been appointed. Leading Foods gave ground in thin trading. J. Sainsbury losing 7 to 335p and Tesco a penny to 56p. Against the trend, Associated Biscuit rose 3 to 61p.

Leading Hotels and Caterers turned dull on Budget worries. Grand Metropolitan shed 5 to 174p and Trusthouse Forte gave up 6 to 202p.

Channel Tunnel jump

Miscellaneous industrial leaders took a distinct turn for the worse on nervous offerings ahead of Tuesday's Budget. Pilkington fell 10 to 290p and Glaxo shed 6 at 284p. Channel Tunnel featured secondary issues, jumping 35 to 170p on the announcement that the building of a rail "chunnel" had been recommended by an all-party committee of MPs. Coronet Industrial were marked up 10 to 78p after news of a bid for the outstanding minority shares, while Hunting Associated added 11 afresh making a rise on the week of 63 at 338p on further consideration of the £40m JP233 bomb contract. Reflecting recovery hopes, Staffordshire Potteries added 5 at 53p, while E. Fogarty put on 4½ to 77p. Adverse comment clipped 15 from De La Rue to 630p and BTR lost 10 to 394p following profit-taking ahead of Thursday's preliminary results.

Lucas ended the week on a dull note, falling 7 to 182p on nervous selling ahead of the interim results, due on March 26. Dowty declined 6 to 239p, but Flight Refuelling closed 5 dearer at 313p. Tate of Leeds added 5 more at 77p.

W. N. Sharpe continued to draw strength from the excellent anual results and rose 10 for a two-day gain of 33 to 278p. In contrast, Gordon and Gotch encountered profit-taking and fell 12 to 133p. Ault and Wiborg came back 3 to 32p, after 30p, following the halved full-year earnings and reduced dividend.

Sellers predominated in Properties, but losses in the leaders were confined to a few pence. Land Securities closed 3 off at 397p and MEPC 4 cheaper at 232p. Great Portland, however, fell 10 to 226p.

NCC Energy spurt

Secondary issues provided the major movements in Oils. NCC Energy jumped 26 to 118p on news of a possible offer for the company from UNC Resources of the U.S. Star Offshore, dealt under Rule 163 (2), touched 67p before closing 9 up on balance at 63p as speculative interest revived. Sentiment among other issues was not helped by Press comment on the proposed new Petroleum Revenue Tax. Lasmo gave up 25 at 620p, while Tricentrol shed 10 to 296p. Ultramar slipped to 493p before picking up to close unchanged on balance at 500p; the preliminary results are due next Wednesday.

Bond Street Fabrics rose 4 to 30p, or 2 above the shares and cash offer from Grovebell, a fraction lower at 6½p. Textured Jersey added 3 more at 91p, while revived speculative support lifted Sidlaw 10 to 136p. David Dixon, on the other hand, fell 6 to 116p and Blackwood Morton dipped a couple of pence to 12p, the latter on the increased first-half loss.

A resistant sector of late, Tobaccos succumbed to fears of duty increases in the Budget. Bats lost 13 at 277p, Imps shed 3½ at 71p, and Rothmans came back 2 to 48p.

Amax suspended

A feature of mining markets was the suspension of dealings in Amax following the overnight US$3.8bn takeover bid from Standard Oil of California; no official dealings were permitted in London, where Amax last traded at £17½, but trading in other European centres suggested a current price of around £26, compared with the bid price from Standard of around US$78¾ (£35¾).

Other U.S. mining issues advanced following the Amax approach. Phelps Dodge rose ¾ to £16¼, while Asarco added a half-point at £16⅞.

South African Golds staged a good rally as the bullion price moved up to close $5 firmer at $468.50 an ounce.

Overnight U.S. buying was followed by light London, European and Johannesburg interest and the Gold Mines index recouped 9.2 to 309.6—reducing the fall on the week to 27.9.

In the heavyweights gains of a point and more were common to Vaal Reefs, £29, West Driefontein, £32, and Western Holdings, £20¼.

Financials made good progress in the wake of the bid for Amax. RTZ advanced 8 to 428p, while *Gold Fields added 5 to 425p*; the latter showed a 29 fall over the week reflecting the recent weakness of gold and adverse Press comment on the interim results announced last Wednesday.

In South Africans Gencor put on 25 to 800p following the increased profits and dividend, while De Beers added 7 to 362p ahead of the 1980 results due next Tuesday.

FINANCIAL TIMES STOCK INDICES

	Mar. 6	Mar. 5	Mar. 4	Mar. 3	Mar. 2	Feb. 27	A year ago
Government Secs.	68.36	68.61	68.66	68.64	68.97	69.12	63.85
Fixed Interest	70.59	70.66	70.66	70.67	70.75	71.08	64.72
Industrial Ord.	489.1	496.2	500.0	496.2	501.4	506.6	455.7
Gold Mines	309.6	300.4	305.9	306.3	309.9	337.5	358.3
Ord. Div. Yield	7.20	7.11	7.06	7.11	7.04	6.97	7.39
Earnings, Yld. % (full)	15.50	15.30	15.19	15.29	15.15	15.00	17.87
P/E Ratio (net) (*)	7.95	8.06	8.12	8.06	8.14	8.22	6.85
Total Bargains	26,234	24,171	26,120	24,503	24,638	27,462	23,076
Equity turnover £m.	—	121.35	155.31	161.09	124.54	176.73	126.88
Equity bargains total	—	19,831	19,807	21,364	21,126	21,422	17,788

10 am 491.1. 11 am 491.4. Noon 491.0. 1 pm 490.5.
2 pm 489.8. 3 pm 489.8.
Latest index 01-246 8026.
*Nil = 7.32.

Basis 100 Govt. Secs. 15/10/26. Fixed Int. 1928. Industrial Ord. 1/7/35. Gold Mines 12/9/55. SE Activity 1974.

HIGHS AND LOWS S.E. ACTIVITY

	1980/81 High	1980/81 Low	Since Compilat'n High	Since Compilat'n Low
Govt. Secs.	72.54 (21/7/80)	63.85 (7/3/80)	127.4 (9/1/35)	49.18 (3/1/75)
Fixed Int	74.08 (24/7/80)	64.70 (10/3/80)	150.4 (28/11/47)	50.53 (3/1/75)
Ind. Ord.	515.9 (21/11/80)	406.9 (3/1/80)	558.6 (4/5/79)	49.4 (26/6/40)
Gold Mines	558.9 (22/9/80)	265.5 (18/3/80)	558.9 (22/9/80)	43.5 (26/10/71)

	Mar. 5	Mar. 4
—Daily		
Gilt Edged Bargains	240.5	230.6
Equities Bargains	128.4	128.3
Value	245.3	313.9
5-day Avrge.		
Gilt Edged Bargains	229.1	227.2
Equities Bargains	134.2	136.6
Value	298.7	318.9

NEW HIGHS AND LOWS FOR 1980/81

The following shares quoted in the Share Information Service yesterday attained new Highs and Lows for 1980-81.

NEW HIGHS (45)

COM'WEALTH & AFRICAN LOANS (1)
AMERICANS (6)
BEERS (1)
BUILDINGS (2)
CHEMICALS (1)
DRAPERY & STORES (1)
ENGINEERING (3)
FOODS (1)
INDUSTRIALS (9)
INSURANCE (2)
LEISURE (1)
MOTORS (2)
NEWSPAPERS (2)
PAPER (1)
PROPERTY (2)
TEXTILES (2)
TRUSTS (2)
OIL & GAS (2)
OVERSEAS TRADERS (1)
RUBBERS (1)
MINES (2)

NEW LOWS (12)

CHEMICALS (1)
Scot. Agric. Inds.
STORES (2)
Greenfields Liberty N/V
ELECTRICALS (1)
A.B. Electronic
ENGINEERING (3)
Camford Eng. Tace
Concentric
INDUSTRIALS (1)
Elswick-Hopper
MOTORS (1)
Hurst (Charles)
PAPER (1)
Ault & Wiborg
MINES (2)
New Wits. SWCM

RISES AND FALLS

	Yesterday Up	Yesterday Down	Yesterday Same	On the week Up	On the week Down	On the week Same
British Funds	1	79	15	76	250	149
Corpns. Dom. and Foreign Bonds	1	—	64	21	24	280
Industrials	146	392	832	1,288	1,340	4,252
Financial and Property	38	248	209	688	541	1,248
Oils	10	41	21	88	124	148
Plantations	4	1	18	28	8	79
Mines	70	18	76	177	292	354
Others	54	47	34	266	238	201
Totals	324	826	1,289	2,632	2,817	6,711

ACTIVE STOCKS

Above average activity was noted in the following stocks yesterday

Stock	Closing price pence	Day's change	Stock	Closing price pence	Day's change
Avana	220	−10	London Utd.	195	+7
Bass	210	−2	Midland Bank	320	−15
Channel Tunnel	170	+35	Pilkington	290	−10
Cons. Gold	425	+5	Racal Elec.	350	−8
Greenfield Leis.	41	−2	Rentokil	150	−10
LASMO	620	−25	Ultramar	500	

OPTIONS

First Deal-ings	Last Deal-ings	Last Declara-tion	For Settle-ment
Mar. 9	Mar. 20	June 11	June 22
Mar. 23	Apr. 3	June 25	July 6
Apr. 6	Apr. 17	July 9	July 20

For rate indications see end of Share Information Service

Calls were transacted in Premier Oil, Fisons, Montague L. Meyer, North Kalgurli, Debenhams, Amalgamated Distilled Products, Campari, Town and City Properties, Charterhouse, Davies and Newman, ICI, Burmah, Lloyds Bank, NatWest, Dunlop, MDW, Boustead and Bardsey. Puts were done in Wimpey and GUS A, while a double was taken out in Premier Oil.

FT-ACTUARIES SHARE INDICES

These indices are the joint compilation of the Financial Times, the Institute of Actuaries and the Faculty of Actuaries

EQUITY GROUPS & SUB-SECTIONS (Figures in parentheses show number of stocks per section)	Fri., March 6, 1981 Index No.	Day's Change %	Est. Earnings Yield % (Max.)	Gross Div. Yield % (ACT at 30%)	Est. P/E Ratio (Net)	Thurs., March 5 Index No.	Wed. March 4 Index No.	Tues. March 3 Index No.	Mon. March 2 Index No.	Year ago (approx.) Index No.	1980-81 High	1980-81 Low	Since Compilation High	Since Compilation Low
1 CAPITAL GOODS (211)	310.58	−1.3	13.35	5.30	9.15	314.51	315.01	313.32	316.17	243.78	316.38 (27/2/81)	208.87 (3/1/80)	316.38 (27/2/81)	50.71 (13/12/74)
2 Building Materials (26)	271.73	−1.7	17.12	6.36	6.97	276.42	276.79	276.19	279.76	236.92	279.76 (2/3/81)	194.00 (3/1/80)	279.76 (2/3/81)	44.27 (11/12/74)
3 Contracting, Construction (26)	487.40	−0.9	18.72	5.22	6.42	492.07	498.72	487.97	496.00	371.00	496.00 (2/3/81)	313.00 (3/1/80)	496.00 (2/3/81)	71.48 (2/12/74)
4 Electricals (27)	1012.05	−1.3	8.58	2.59	14.40	1025.08	1028.60	1025.82	1032.41	627.24	1038.74 (27/2/81)	539.56 (2/1/80)	1038.74 (27/2/81)	84.71 (25/6/62)
5 *Engineering Contractors (11)*	*414.22*	*−1.6*	*14.40*	*6.25*	*8.86*	*420.99*	*417.98*	*415.05*	*424.39*	*289.04*	*424.39 (2/3/81)*	*264.74 (30/5/80)*	*429.70 (4/5/79)*	*64.39 (2/1/75)*
6 Mechanical Engineering (71)	187.31	−0.9	15.50	7.03	8.08	188.99	188.34	186.95	188.05	166.57	190.20 (18/7/80)	146.46 (3/1/80)	211.08 (8/5/79)	45.43 (6/1/75)
8 Metals and Metal Forming (15)	146.89	−0.8	17.96	11.37	7.06	148.14	149.19	148.46	149.66	169.18	173.09 (18/7/80)	127.24 (14/1/81)	192.29 (4/5/79)	49.65 (6/1/75)
9 *Motors (21)*	90.34	−1.8	20.05	9.17	5.75	92.00	92.72	91.63	92.28	110.30	115.86 (29/1/80)	84.67 (23/1/81)	170.59 (15/1/69)	19.91 (6/1/75)
10 Other Industrial Materials (16)	316.60	−1.3	14.48	6.78	8.21	320.65	321.58	317.19	320.89	0.00	322.09 (27/2/81)	277.55 (15/1/81)	322.09 (27/2/81)	277.55 (15/1/81)
21 CONSUMER GROUP (198)	247.89	−1.5	15.27	6.35	7.94	251.66	252.21	250.27	252.53	220.70	253.40 (27/2/81)	200.15 (3/1/80)	269.81 (4/5/79)	61.41 (13/12/74)
22 Brewers and Distillers (20)	271.05	−1.7	17.09	6.75	6.94	275.64	278.74	277.36	281.83	267.15	306.45 (8/7/80)	244.42 (13/1/81)	306.45 (8/7/80)	69.47 (13/12/74)
25 Food Manufacturing (23)	225.97	−0.8	17.31	6.94	6.85	227.68	227.20	224.94	227.48	198.05	227.68 (5/3/81)	183.95 (28/3/80)	236.75 (4/5/79)	59.67 (11/12/74)
26 Food Retailing (14)	451.42	−1.2	9.98	3.56	11.84	457.09	457.79	457.41	463.94	305.35	486.44 (5/1/81)	286.28 (3/1/80)	486.44 (5/1/81)	54.25 (11/12/74)
27 Health and Household Products (7)	260.07	−1.4	10.21	5.49	11.64	263.66	263.79	259.31	260.21	213.38	273.09 (19/2/81)	175.38 (28/5/80)	291.13 (14/9/78)	175.38 (28/5/80)
29 Leisure (22)	364.32	−1.1	15.35	6.28	8.04	368.50	369.25	368.58	374.49	305.56	374.49 (2/3/81)	268.87 (3/1/80)	374.49 (2/3/81)	54.83 (9/1/75)
32 Newspapers, Publishing (12)	450.22	−0.2	19.53	6.91	6.69	451.28	450.45	449.12	448.99	428.75	456.79 (1/10/80)	378.52 (3/1/80)	492.56 (8/5/79)	55.08 (6/1/75)
33 Packaging and Paper (15)	126.10	−0.9	25.33	9.60	4.57	127.28	127.31	125.42	126.74	128.78	140.51 (21/7/80)	108.85 (14/1/81)	155.65 (14/9/78)	43.46 (6/1/75)
34 Stores (44)	256.46	−1.5	11.60	4.93	11.29	260.39	261.79	259.13	259.95	223.48	262.86 (21/11/80)	188.71 (3/1/80)	273.48 (4/5/79)	52.63 (6/1/75)
35 Textiles (21)	143.41	−0.8	17.88	9.31	7.31	144.57	144.85	143.33	145.24	128.24	145.24 (2/3/81)	116.89 (6/6/80)	235.72 (17/1/67)	62.66 (11/12/74)
36 Tobaccos (3)	216.19	−4.5	26.29	10.77	4.34	226.45	222.32	222.72	223.20	195.74	240.29 (12/9/80)	192.86 (3/1/80)	339.16 (2/8/72)	94.34 (13/6/62)
39 Other Consumer (17)	261.73	—	14.32	7.34	8.45	261.85	262.40	261.98	264.52	0.00	264.52 (2/3/81)	231.28 (4/2/81)	264.52 (2/3/81)	231.28 (4/2/81)
41 OTHER GROUPS (79)	210.95	−0.9	14.02	7.22	8.91	212.87	213.52	211.99	213.44	207.24	230.85 (21/7/80)	184.19 (3/1/80)	234.76 (8/5/79)	58.63 (6/1/75)
42 Chemicals (15)	251.74	−1.2	11.50	8.31	11.41	254.78	256.24	253.76	255.92	306.00	326.53 (7/7/80)	251.74 (6/3/81)	329.77 (4/5/79)	71.20 (1/12/74)
44 Office Equipment (6)	108.74	−1.7	17.12	7.64	6.93	110.65	111.12	108.88	110.40	115.83	123.10 (14/2/80)	93.19 (14/1/81)	246.06 (1/9/72)	45.34 (2/1/75)
45 Shipping and Transport (13)	583.85	−0.4	12.96	6.33	9.47	586.20	586.18	582.53	585.32	471.35	617.88 (22/8/80)	411.53 (10/1/80)	617.88 (22/8/80)	90.80 (29/6/62)
46 Miscellaneous (45)	271.48	−0.6	16.37	6.29	7.50	273.05	273.35	272.97	274.06	243.55	287.99 (31/7/80)	211.86 (3/1/80)	287.99 (31/7/80)	60.39 (6/7/75)
49 INDUSTRIAL GROUP (488)	264.35	−1.3	14.39	6.08	8.48	267.91	268.46	266.65	268.99	230.22	269.71 (27/2/81)	203.76 (3/1/80)	273.01 (4/5/79)	59.01 (13/12/74)
51 Oils (12)	874.10	−0.3	27.47	6.02	4.05	877.12	881.84	874.46	880.24	808.05	1065.24 (19/11/80)	668.86 (8/1/80)	1065.24 (19/11/80)	87.23 (29/5/62)
59 500 SHARE INDEX	312.66	−1.1	17.24	6.06	6.85	316.19	317.07	314.82	317.43	275.74	329.58 (21/11/80)	241.13 (3/1/80)	329.58 (21/11/80)	63.49 (13/12/74)
61 FINANCIAL GROUP (118)	244.83	−2.0	—	5.58	—	249.72	249.68	247.94	249.08	193.60	260.37 (28/10/80)	175.85 (3/1/80)	260.37 (28/10/80)	55.88 (13/12/74)
62 Banks (6)	228.54	−3.0	42.02	7.79	2.89	235.71	236.83	233.60	233.82	216.03	271.75 (29/10/80)	201.01 (8/4/80)	288.32 (20/7/72)	62.44 (12/12/74)
63 Discount Houses (10)	302.76	−0.8	—	6.12	—	305.08	305.15	308.57	312.91	213.25	313.98 (26/2/81)	206.50 (18/3/80)	313.98 (26/2/81)	81.40 (10/12/74)
64 Hire Purchase (4)	238.63	−1.3	9.87	5.48	14.31	241.78	237.98	238.32	239.58	186.12	253.41 (24/7/80)	160.72 (3/1/80)	433.74 (4/5/72)	38.83 (11/12/74)
65 Insurance (Life) (10)	255.12	−2.8	—	5.17	—	262.57	261.85	260.78	260.95	172.79	272.22 (28/10/80)	151.80 (3/1/80)	272.22 (28/10/80)	44.88 (2/1/75)
66 Insurance (Composite) (9)	159.29	−2.0	—	7.51	—	162.51	163.61	161.71	161.98	125.25	183.32 (18/9/80)	117.05 (3/1/80)	183.32 (18/9/80)	43.96 (13/12/74)
67 Insurance Brokers (9)	354.33	−2.0	12.87	6.54	10.63	361.72	353.39	348.05	356.39	284.07	366.44 (18/9/80)	256.48 (3/1/80)	372.27 (11/8/78)	65.86 (16/12/74)
68 Merchant Banks (13)	154.31	−1.2	—	5.02	—	156.22	155.74	155.77	155.39	103.33	164.30 (19/11/80)	87.47 (3/1/80)	278.57 (1/5/72)	31.21 (7/1/75)
69 Property (46)	476.51	−1.0	3.16	2.62	43.94	481.09	479.52	478.13	482.45	363.98	487.12 (27/2/81)	304.20 (3/1/80)	487.12 (27/2/81)	56.01 (20/4/65)
70 Miscellaneous (11)	175.90	−1.7	15.46	5.28	8.24	178.99	179.58	180.00	180.91	130.55	180.91 (2/3/81)	119.62 (3/1/80)	303.18 (18/5/72)	33.29 (17/12/74)
71 Investment Trusts (109)	291.68	−1.1	—	5.28	—	295.05	293.90	291.91	291.37	219.14	298.64 (29/10/80)	188.97 (3/1/80)	298.64 (29/10/80)	71.63 (13/12/74)
81 Mining Finance (3)	215.52	+1.4	15.70	6.22	7.56	212.51	212.18	213.27	215.08	210.02	277.15 (30/10/80)	161.95 (1/1/80)	277.15 (30/10/80)	66.31 (30/9/74)
91 Overseas Traders (20)	443.81	−0.6	12.05	6.68	10.20	446.69	447.01	447.46	449.47	411.39	462.79 (22/10/80)	330.03 (3/1/80)	462.79 (22/10/80)	97.37 (6/1/75)
99 ALL-SHARE INDEX (750)	298.66	−1.2	—	5.94	—	302.29	302.80	300.81	302.88	256.78	313.07 (21/11/80)	225.06 (3/1/80)	313.07 (21/11/80)	61.92 (13/12/74)

FIXED INTEREST PRICE INDICES

British Government	Fri., March 6	Day's change %	Thurs., March 5	xd adj. today	xd adj. 1981 to date
1 Under 5 years	107.93	−0.02	107.96	—	2.48
2 5-15 years	110.14	−0.28	110.44	—	1.95
3 Over 15 years	112.13	−0.33	112.50	—	2.16
4 Irredeemables	124.13	−0.63	124.92	—	1.78
5 All stocks	109.73	−0.22	109.98	—	2.16

FIXED INTEREST YIELDS British Govt. Av. Gross Red.

			Fri., March 6	Thurs., March 5	Year ago (approx.)	1980-81 Highs	1980-81 Lows
1	Low	5 years	11.47	11.42	13.23	13.32 (4/3/80)	11.17 (21/7/80)
2	*Coupons*	15 years	12.42	12.37	13.11	13.12 (4/3/80)	11.11 (21/7/80)
3		25 years	12.66	12.60	13.11	13.12 (4/3/80)	11.11 (21/7/80)
4	Medium	5 years	13.28	13.20	15.14	15.37 (4/3/80)	12.45 (21/7/80)
5	Coupons	15 years	14.02	13.94	14.70	14.71 (4/3/80)	12.48 (21/7/80)
6		25 years	13.88	13.81	14.48	14.50 (4/3/80)	12.35 (23/7/80)
7	High	5 years	13.26	13.20	15.24	15.44 (4/3/80)	12.71 (17/7/80)
8	Coupons	15 years	14.23	14.16	15.03	15.06 (4/3/80)	12.81 (21/7/80)
9		25 years	14.06	14.00	14.88	14.92 (4/3/80)	12.63 (23/7/80)
10	*Irredeemables*		11.89	11.80	12.51	12.53 (21/3/80)	10.80 (21/7/80)

	Fri., March 6 Index No.	Yield %	Thur. Mar. 5	Wed. Mar. 4	Tues. Mar. 3	Mon. Mar. 2	Fri. Feb. 27	Thur. Feb. 26	Wed. Feb. 25	Year ago App'x.	1980/81 Highs	1980/81 Lows	Since Compilation Highs	Since Compilation Lows
5 20-yr. Red. Deb. & Loans (15)	52.56	†14.14	52.39	52.42	52.41	52.40	52.37	52.37	52.32	50.13	55.65 (30/7/80)	49.12 (7/1/80)	113.43 (23/10/65)	37.06 (6/1/76)
5 Investment Trust Prefs. (15)	51.01	15.26	51.01	51.01	51.06	51.06	50.90	50.90	50.76	47.55	52.61 (27/11/80)	46.34 (2/1/80)	114.41 (13/9/63)	34.46 (4/12/74)
7 Coml. and Indl. Prefs. (20)	68.20	15.23	68.20	68.38	68.50	68.54	68.37	68.29	68.37	61.08	68.58 (4/8/80)	60.92 (27/3/80)	114.96 (7/10/63)	47.67 (6/1/76)

Equity Section or Group	Base Date	Base Value	Equity Section or Group	Base Date	Base Value
ther Industrial Materials	31/12/80	287.41	Miscellaneous Financial	31/12/70	128.06
ther Consumer	31/12/80	238.14	Food Manufacturing	29/12/67	114.13
ealth/Household Prods.	30/12/77	261.77	Food Retailing	29/12/67	114.13
ther Groups	31/12/74	63.75	Insurance Brokers	29/12/67	96.67
verseas Traders	31/12/74	100.00	Mining Finance	29/12/67	100.00
ngineering Contractors	31/12/71	153.84	All Other	10/4/62	100.00
echanical Engineering	31/12/71	153.84	British Government	31/12/75	100.00
ffice Equipment	16/1/70	128.20			
ndustrial Group	31/12/70	128.20			

† Redemption yield. A list of the constituents is available from the Publishers, The Financial Times, Bracken House, Cannon Street, London, EC4, price 15p, by post 26½p. A fortnightly record of group and subsection indices, dividend yields and earnings figures since 1962, with quarterly highs and lows of the indices, is obtainable from the Book Sales Department, FT Business Publishing Limited, Minster House, Arthur Street, London, EC4R 9AX, at £50 per copy.

CONSTITUENT CHANGE: United Dominions Trust (Hire Purchase) has been deleted and replaced by Barkeley Hambro Property (Property).

RECENT ISSUES

EQUITIES

Issue Price p‡	Amount Paid Up	Latest Renunc. Date	1980/81 High	1980/81 Low	Stock	Closing Price p‡	+ or −	Div. or Amount	Times Covered	Gross Yield	P.E. Ratio
150	F.P.	3/4	179	170	British Aerospace 50p	171	−5	b7.8	2.0	6.5	11.0
10p	F.P.	27/3	16¼	13¾	✻Crest Intl Sec. 10p	15½	−½	—	—	—	—
§§	F.P.	—	8	6½	✻Dunton 5p	7½	......	—	—	—	—
75§	F.P.	—	105	88	Espley-Tyas Prop.	88	−5	b3.92	1.2	6.4	18.3
100	F.P.	13.3	102	95	New Darien Oil Trust	91	1	—	—	—	—
42p	F.P.	13/5	45	38	Oil & Gas Production	39	......	—	—	—	—
4.2p	P.P.	15/5	9	7½	Do. ($0.01 pd.)	7½	......	—	—	—	—
§§	F.P.	—	14	12	✻Parkfield Fndrs. 5p	13	......	0.66	6.4	9.3	2.4
81½	F.P.	16/2	106	96	Sonic Sound Audio 10p	100	−2	b4.48	1.9	6.4	9.7
**	F.P.	9/2	84	72	Westpool Inv. Defd	74	......	—	—	—	—

FIXED INTEREST STOCKS

Issue price £	Amount Paid Up	Latest Renunc. Date	1980/81 High	1980/81 Low	Stock	Closing Price £	+ or −
¶100	£10	21/5	12	11½	Bristol Water 8% Red. Pref '86	12	......
‖	F.P.	12/2	119	106½	Crystalate 9¾% Cnv. Uns. Ln. '99-2000	119	......
96	£20	27/3	21⅛	20½	Iceland 14½% 016	20½	−¼
¶100	£10	24/7	12	12	Mid-Sussex Water 8% Pref. 1986	12	......
‖	F.P.	20/1	135p	107p	Paterson (R.) 11½% Cum. Cnv. Prf.	132p	......
‖	*F.P.*	*13/2*	*128*	*113*	*Portals 9¼% Cnv. 1994-2000*	*128*	*+1*
110½	F.P.	—	169p	147p	Sterling Credit 8% Cnv. Red. Cum. Prf.	158p	−11
100	Nil	—	11pm	9pm	Yorks Fine Wool 11% Cum. Red. Cnv. Prf	10½pm	−½

"RIGHTS" OFFERS

Issue Price p‡	Am'unt paid up	Latest Renunc. Date ●	Latest Renunc. Date ■	1980/81 High	1980/81 Low	Stock	Closing price p‡	+ or −
128 p	F.P.	27/2	27/3	126	115	Argyll Foods	117	−1
154 p	F.P.	9/3	22/5	181	171	Assoc. Dairies	176	......
SA9	Nil	—	—	190pm	175pm	Broken Hill Prop.	190pm	+5
45	F.P.	18/2	13/3	65	51½	Hampton Trust	54½	......
184	F.P.	29/1	13/3	240	188	Johnson, Matthey	236	+1
45p	F.P.	9/3	3/4	50	47	Paradise B.	47	......
60	F.P.	16/2	27/3	87	71	Norcros	85½	−½
320	F.P.	23/1	20/3	390	330	Royal Insurance	373	−14

Renunciation date usually last day for dealing free of stamp duty. *b* Figures based on prospectus estimate. *g* Assumed dividend and yield. *u* Forecast dividend: cover based on previous year's earnings. F Dividend and yield based on prospectus or other official estimate for 1979. Q Gross. T Figures assumed. ‡ Cover allows for conversion of shares not now ranking for dividend or ranking only for restricted dividends. § Placing price to public. p‡ Pence unless otherwise indicated. ¶ Issued by tender. ‖ Offered to holders of ordinary shares as a "rights." ** Issued by way of capitalisation. §§ Reintroduced. ¶¶ Issued in connection with reorganisation, merger or takeover. ‖‖ Introduction. □ Issued to former preference holders. ■ Allotment letters (or fully-paid). ● Provisional or partly-paid allotment letters. ★ With warrants. †† Dealings under special Rule. ✻ Unlisted Securities Market. ‡‡ London Listing. † Resulting from debt settlement scheme. ‡‡ Units comprising 125 A Ord. & 5 12½% Cum. Pref.

UNIT TRUST SERVICE

OFFSHORE & OVERSEAS—contd.

Craigmount Fixed Int. Mngrs. (Jersey)
P.O. Box 195, St. Helier, Jersey. 0534 27561
Gilt Fund (Jsy.) | 93.6 | 93.7xd | ...... | 14.94
Valued weekly Wednesday.

DWS Deutsche Ges. F. Wertpapiersp
Grueneburgweg 113, 6000 Frankfurt
Investa | DM30.00 | 31.60 | ...... | —

Delta Group
P.O. Box 3012, Nassau, Bahamas
Delt. Inv. March 3 | $4.12 | 4.33 | +0.17 | —

Deutscher Investment-Trust
Postfach 2685 Biebergasse 6-10 6000 Frankfurt
Concentra | DM15.70 | 16.70 | −0.10 | —
Int. Rentenfonds | DM58.90 | 60.70 | −0.40 | —

Dreyfus Intercontinental Inv. Fd.
P.O. Box N3712, Nassau, Bahamas.
NAV Feb. 24 | US$29.60 | 31.59 | ...... | —

Emson & Dudley Tst. Mgt. Jrsy. Ltd.
P.O. Box 73, St. Helier, Jersey. 0534 73933
E.D.I.C.T. | 152.6 | 163.8 | ...... | 2.20

The English Association
4 Fore Street, EC2. 01-588 7081
E.A. Income Fund* | 58.1 | 61.9 | ...... | 8.08
E.A. Sterling* | £67.14 | 67.18 | ...... | —
E.A. Equity* | £67.44 | 71.75 | ...... | 1.74
Wardgate Cnt. Fd.** | £17.39 | 18.09 | ...... | 2.87
*Next dealing Mar. 11. **Next dealing Mar. 31.

Eurobond Holdings N.V.
Pietermaai 15, Willemstad, Curacao.
London Agents: Intel 15 Christopher St., EC2.
Tel: 01-247 7243. Telex 8814408.
Euro Hldgs. | US$19.61 | 20.25 | ...... | 9.50

S.G. Europe Obligations S.A.
9, Avenue de la Liberte, Luxembourg
London Agent: FFS, Salisbury Hse., London Wall EC2M 5TA. Tel. 01-920 0776 Telex 887281
Europe-Obligations | US$43.17 | −0.35 | 1.95

F & C Mgmt. Ltd. Inv. Advisers
1-2, Laurence Pountney Hill, EC4. 01-623 4680
Centenary Fd. | US$10.60 | ...... | 1.32
F. & C. Oriental Fd. | US$23.21 | ...... | —
Prices Feb. 25. Weekly dealings.

Fidelity International Ltd.
P.O. Box 670, Hamilton, Bermuda.
8, Queensway Hse., Queen St., St. Helier, Jersey, C.I. 0534 71696
American Assets | US$40.61 | ...... | 1.18
Am. Vals. Com. Pf. $3* | $100.75 | ...... | —
American Vals. Com.* | $8.92 | ...... | —
Dollar Savings Trust | US$76.79 | +0.07 | 16.12
Far East | US$31.84 | ...... | —
International | US$23.64 | −0.20 | —
Pacific | US$8.66 | ...... | —
World | US$25.15 | −0.07 | —
Gilt Fund | 23.3 | 23.5 | −0.1 | 13.30
*Prices at March 3.

First Viking Commodity Trusts
10-12 St. George's St., Douglas, IoM. 0624 25015
Fst. Vik. Cm. Tst. | 26.6 | 28.0 | ...... | 5.80

Fleming Japan Fund S.A.
37, rue Notre-Dame, Luxembourg
Fleming Feb. 28 | US$69.78 | ...... | —

Frankfurt Trust Investment—GmbH
Neue Mainzer Strasse 74-76, D-6000 Frankfurt
FT-Interzins | DM16.44 | 40.04 | +0.01 | —
Frankf. Effekt. Fd. | DM50.09 | 52.73 | −0.21 | —

Free World Fund Ltd.
Butterfield Bldg., Hamilton, Bermuda.
NAV Dec. 31 | US$145.99 | ...... | —

G.T. Management Ltd.
Park Hse., 16 Finsbury Circus, London EC2
Tel: 01-628 8131. TLX: 886100
London Agents for:
Anchor 'B' Units | US$1.73 | 1.78 | ...... | 1.22
Anchor Gilt Edge | £9.14 | 9.19 | −0.03 | 13.82
Anchor Int. Fd. | US$8.42 | 8.64 | ...... | 1.22
Anchor In. Jsy. Tst. | 42.8 | 44.8 | +0.5 | 2.68
Berry Pac Fd. | US$61.54 | ...... | 0.89
Berry Pac Strlg. | £3.46 | 3.6088 | ...... | 1.15
G.T. Asia Fd. | HK$20.81 | ...... | 1.28
G.T. Asia Sterling | £26.93 | 29.03 | ...... | 1.48
G.T. Australia Fd. | A$36.22 | ...... | 0.80
G.T. Bond Fund | US$11.80 | +0.02 | 11.05
G.T. Dollar Fd. | US$12.84 | +0.48 | 1.17
G.T. Dir. (Strlg.) Fd. | 13.93 | 14.51 | +0.59 | 2.27
G.T. Invest. Fd. | US$17.28 | −0.12 | 0.57
G.T. Japan Small Cos. | US$16.47 | ...... | —
Marianne (STG) Fd. | £10.36 | 10.93 | ...... | 3.39
G.T. Technology Fd. | US$22.02 | ...... | —
G.T. Pacific Fd. | US$15.65 | ...... | 2.24
G.T. Asean Growth Fd. | US$10.95 | 11.70 | −0.23 | 0.45

Gartmore Invest. Ltd. Ldn. Agts.
2, St. Mary Axe, London, EC3. 01-283 3531
Gartmore Fund Managers (C.I.) Ltd. (a) (h)
41, Broad St., St. Helier, Jersey. 0534 73741
Gilt Fund (Jersey) | 89.0 | 93.0 | ...... | 12.75
Gartmore Fund Managers (Far East) Ltd. (a)(h)
1503 Hutchison Hse., 10 Harcourt Rd., H. Kong
Australian Tst. | US$1.08 | 11.797 | ...... | —
HK & Pac. U. Tst. | HK$7.48 | 7.982 | −0.16 | 2.60
Japan Fd. | US$23.46 | 25.723 | ...... | 0.60
N. American Tst. | US$22.40 | 24.280 | ...... | 1.00
Intl. Bond Fund | US$11.24 | 11.803 | ...... | 9.30

Gartmore Fund Managers (IOM) (a)
P.O. Box 32 Douglas, Isle of Man Tel. 0624 23911
Gartmore Intl. Inc. | 22.5 | 23.9 | ...... | 12.80
Gartmore Intl. Grth. | 138.9 | 147.8 | ...... | 0.50

Assicurazioni GENERALI S.p.A.
P.O. Box 132, St. Peter Port, Guernsey, C.I.
Sterling Managed Fd. | £103.82 | ...... | —

Granville Management Limited
P.O. Box 73, St. Helier, Jersey. 0534 73933
Granville Inv. Tst. | £6.72 | 7.06 | ...... | 5.31
Next dealing day March 16.

Guinness Mahon Fd. Mgrs. (Guernsey)
PO Box 188, St. Peter Port, Guernsey. 0481 23506.
Intl. Fund | $21.05 | 21.74 | ...... | 10.10
Prices at Feb. 26. Next dealing March 26.

Hambro Pacific Fund Mgmt. Ltd.
2110, Connaught Centre, Hong Kong
Far East Mar. 5 | HK$25.11 | 26.49 | ...... | —
Japan Fund Mar. 6 | US$10.08 | 10.63 | +0.05 | —

[illegible]

Midland Bank Tst. Corp. (Jersey) Ltd.
28-34, Hill St., St. Helier, Jersey. 0534 36281
Midland Drayton Gilt | 95.7 | 96.2 | ...... | 12.47

Samuel Montagu Ldn. Agents
114, Old Broad St., EC2. 01-588 6464
Apollo Fd. Feb. 25 | SF70.75 | 73.45 | ...... | 1.81
Japfest Feb. 27 | HK$25.18 | 27.25 | ...... | 3.51
117 Group March 4 | US$13.34 | 16.56 | ...... | 2.03
117 Jersey Feb. 18 | £7.85 | 8.51 | ...... | 1.48
117 J'sey O's Feb. 25 | £4.74 | 6.05 | ...... | 3.48
117 Stlg. Res. Mar. 3 | £10.32 | 10.34 | ...... | —

Murray, Johnstone (Inv. Adviser)
163, Hope St., Glasgow, C2. 041-221 5521
Hope St. Feb. 28 | US$48.83 | ...... | —
Murray Fund Feb. 28 | US$21.51 | ...... | —
Pacific Fd. Feb. 28 | US$5.65 | +0.17 | —

Nat. Westminster Jersey Fd. Mgrs. Ltd.
45 La Motte St., St. Helier, Jersey 0534 36241
High Income Fund | 47.6 | 49.0 | ...... | 12.24
Equity Fund | 59.0 | 62.0 | +1.0 | 3.05
International Bond* | 47.6 | 49.0 | ...... | 10.41
*Sub. day every Thurs.

Negit S.A.
10a Boulevard Royal, Luxembourg
NAV Feb. 27 | US$10.37 | — | ...... | —

N.E.L. International Ltd.
P.O. Box 119, St. Peter Port, Guernsey, C.I.
Sterling Deposit | 52.6 | 55.3 | ...... | —
Sterling Fixed Interest | 52.5 | 55.3 | ...... | —
Sterling Managed | 51.5 | 54.0 | ...... | —
Intl. Fixed Interest | 55.6 | 58.3 | ...... | —
Intnl. Managed | 52.3 | 56.8 | ...... | —

Pacific Basin Fund
10a Boulevard Royal, Luxembourg.
NAV | US$22.11 | +0.02 | —
Inv. Adv.: M. & G. Inv. Mngt. Ltd., London.

Phoenix International
PO Box 77, St. Peter Port, Guern. 0481 26741
Inter-Dollar Fund | US$3.03 | 3.27 | ...... | —
Far East Fund | US$2.47 | 2.66 | ...... | —
Intl. Currency Fund | US$1.12 | 1.19 | ...... | —
Dollar Fxd. Int. Fund | US$2.25 | 2.42 | ...... | —
Ster. Exempt Gilt Fd. | £1.40 | 1.52 | ...... | —

Providence Capital Life Ass. (C.I.)
PO Box 121, St Peter Port, Guernsey 0481 26726/9
Sterling Bond Fd. | 46.8 | 49.1 | ...... | —
Sterling Equity Fd. | 67.0 | 70.3 | ...... | —
Intnl. Bond Fd. | US$0.96 | 1.01 | ...... | —
Intnl. Equity Fd. | US$1.09 | 1.14 | ...... | —
Prices at Mar. 4. Next dealing Mar. 11.

Quest Fund Mngmnt. (Jersey) Ltd.
PO Box 194, St. Helier, Jersey. 0534 27441
Quest Stlg. Fxd. Int. | £0.750 | 0.794xd | ...... | 12.86
Quest Intl. Secs. | US$1.126 | 1.211xd | ...... | 1.32
Quest Intl. Bd. | US$0.795 | 0.842xd | ...... | 11.88
Prices on Mar. 4. Next dealing Mar. 11.

Quilter/Heinold Commodities
31-45, Gresham Street, EC2V 7LH. 01-600 4177
Resource Fund Intl. March 2. NAV US$1212.58.
Next dealing date April 1.

RBC Investment Managers Limited
PO Box 48, St. Peter Port, Guernsey. 0481-23021.
Intl. Income Fd. | US$9.66 | 10.28 | ...... | —
Intl. Capital Fd. | US$10.06 | 10.35 | −0.02 | —
North America Fd. | US$4.51 | 4.94 | ...... | —

Raminco Managers Ltd.
P.O. Bx. 1549, Hmltn, Bermuda. (809-29) 2-7979
RAMINCO Mar. 2 | $8.93 | 9.21 | ...... | —

Richmond Life Ass. Ltd.
4 Hill Street, Douglas, I.O.M. 0624 23914
(x) The Silver Trust | 205.1 | 210.0 | +6.3 | —
Do. Diamond Bd. | 117.7 | 123.9 | ...... | —
Irish Gilt Bond | 102.5 | 107.9 | −0.7 | 13.88
Sterling Deposit Bd. | 127.69 | 134.42 | ...... | 14.16
Atlas Gilt & Com. Fd. | 96.1 | 101.2 | ...... | —
UK Gilt Fund | 111.3 | 117.1 | −0.4 | —
Sapphire Trust | 107.3 | 112.9 | ...... | —
Petroman Oil Trust | 95.0 | 100.0 | ...... | —

Rothschild Asset Management (C.I.)
P.O. Box 58, St. Julians Ct., Guernsey. 0481 26331
O.C. America Fd.† | US$2.51 | 2.67 | ...... | 0.47
OCSm. Co.*** | 104.1 | 110.3 | ...... | 2.94
O.C. Commodity* | 91.3 | 97.1 | ...... | 7.62
O.C. Dir. Comdty.† | US$33.77 | 46.39 | ...... | 1.59
O.C. Hong Kg. Fd.† | HK$37.56 | 39.81 | ...... | —
O.C. Sterling Fd.** | £13.317 | +0.03 | —
O.C. International Reserves Limited
Bel. Francs (Fin.) | 638.99 | Italian Lira | 22,395
Canadian $ | 26.708 | Singapore $ | 53.700
D. Mark | 40.800 | £ Sterling | 20.893
Dutch Guilder | 41.225 | Swiss Franc | 40.875
French Francs | 106.540 | U.S. $ | 21.690
*Prices on Feb. 27. Next dealing March 13.
†Prices on Feb. 23. Next dealing Mar. 9.
**Daily dealings. ***March 23.

Rothschild Asset Mgt. (Bermuda)
P.O. Box 664, Bk. of Bermuda Bld., Bermuda.
Reserve Assets Fd. | US$9.13 | 9.34 | ...... | —
Prices on February 16. Next dealing February 24.

Save & Prosper International
Dealing to
P.O. Box 73, St. Helier, Jersey 0534 73933
Fixed Interest Funds
Deutschmark Bd.**‡ | DM8.45 | 8.98xd | ...... | 6.12
Dlr. Fxd. Int.**‡ | US$7.73 | 8.24 | ...... | 9.18
St. Fixed*** | 106.1 | 112.2 | −0.4 | 12.96
Yen Bond | Y1,023 | 1,077 | ...... | 4.64
Equity Funds
Channel Capital*‡ | 86.0 | 90.6 | ...... | 2.31
Internatl. Gr.**‡ | US$12.35 | 13.36 | ...... | —
Far Eastern**‡ | US$18.64 | 20.16 | ...... | —
North American**‡ | US$6.90 | 7.46 | ...... | —
Sepro**‡ | US$19.61 | 21.43 | ...... | —
Trust Channel Isl.*‡ | 77.5 | 81.6 | −0.2 | 5.64
Commodity Funds
Commodity***‡ | 110.4 | 116.4xd | −1.5 | —
Deposit Funds
St. Deposit***‡ | 135.2 | 135.3 | +0.3 | 0.18
*Prices on March 2. **Mar. 4. ***March 6.
****March 5. ‡Weekly dealings. †Daily dealings.

Schroder Life Group
Enterprise House, Portsmouth. 0705 27733
International Funds
£Equity | 118.8 | 126.3 | ...... | —
$Equity | US$2.421 | 2.575 | ...... | —
£Fixed Interest | 177.8 | 189.1 | ...... | —
$Fixed Interest | US$1.272 | 1.353 | ...... | —
£Managed | 150.6 | 160.2 | ...... | —
$Managed | US$1.879 | 1.989 | ...... | —

Schroder Mngt. Services (Jersey) Ltd.

[illegible]

FT UNIT TRUST INFORMATION SERVICE

AUTHORISED UNIT TRUSTS

Abbey Unit Tst. Mngrs. (a)
72-80, Gatehouse Rd., Aylesbury 0296 5941

Abbey Amer. Gth. Tst.	59.3	63.8	+0.1	2.27
Abbey Capital	45.7	49.4	-0.5	4.96
Abbey General	54.9	59.3	-0.8	5.18
Abbey Gilt & F.I. Tst.	103.6	109.0xd	-0.9	12.02
Abbey Income	35.4	38.3	-0.2	9.16
Abbey W'Wide Bd Tst.	95.4	100.9	+0.2	6.64
Abbey Inv. Tst. Fd.	50.5	54.4	-0.3	4.66
Equitas Prog. Tst.	80.3	86.8	-0.9	4.71

Allen Harvey & Ross Unit Tst. Mngrs.
45, Cornhill, London EC3V 3PB. 01-623 6314.

AHR Gilt Trust	86.0	90.5xd	-0.01	12.75

Allied Hambro Ltd. (a) (g)
Hambro Hse., Hutton, Brentwood, Essex.
01-588 2851 or Brentwood (0277) 211459

Balanced Funds				
Allied 1st	88.0	94.2xd	-1.0	5.94
Brit. Inds. Fund	76.4	81.7	-1.1	6.24
Growth & Income	50.1	53.6	-0.6	5.04
Elect. & Ind. Dev.	44.5	47.6	-0.6	5.25
Allied Capital	96.2	102.9	-1.2	4.87
Hambro Fund	131.1	140.3	-1.3	6.17
Hambro Acc. Fund	180.4	193.1	-1.9	4.72
Income Funds				
High Yield Fd.	63.7	68.2xd	-0.6	8.90
High Income	83.6	89.5xd	-1.0	7.73
Equity Income Fd.	45.0	48.2xd	-0.5	7.59
Govt. Secs.	25.4	26.1	.....	11.86
International Funds				
International	34.3	36.7xd	-0.1	2.18
Japan Fund	25.0	26.7	.....	0.24
Pacific Fund	66.6	71.3	-0.2	1.15
Secs. Of America	75.2	80.5	+0.4	1.99
Specialist Funds				
Smaller Co.'s Fd.	56.1	60.0	+0.1	4.35
2nd Smlr. Co's Fd.	67.3	72.0xd	+0.1	4.17
Recovery Sits.	136.6	146.2	-1.3	5.20
Met. Min. & C'dty.	66.9	71.6	+0.2	5.31
Overseas Earnings	67.9	72.6	-0.7	5.08

Crescent Unit Tst. Mngrs. Ltd. (a)(g)
4 Melville Cres., Edinburgh 3 031-226 4931

Cres. Amer. Fd.	41.8	45.1	+0.5	0.55
Cres. Internat'l.	78.9	85.2	-0.1	1.83
Cres. High. Dist.	44.2	47.7	-0.3	9.96
Cres. Reserves	49.4	53.3xd	-0.7	4.51
Cres. Tokyo	32.6	35.2	-0.3	0.99

Dartington Unit Trust Mngt. Ltd.
Bridge Chambers, Barnstaple, Devon 0271 76324

Total Perf. Unit Tst.	24.1	25.5	.....	10.31

Discretionary Unit Fund Managers
36/38 New Broad St, EC2M 1NU. 01-638 4485

Disc. Inc. Feb. 27	237.8	253.6	.....	5.21

E. F. Winchester Fund Mngt. Ltd.
44, Bloomsbury Square, WC1A 2RA 01-623 8893

Great Winchester	18.5	20.4	.....	6.95
Gt. Winchester O'seas	27.8	30.6	.....	3.47

For Emson and Dudley see Robert Fraser Tst. Mgmt.

Equity & Law Un. Tr. M.♥ (a)(b)(c)
Amersham Rd., High Wycombe. 0494 33377

Equity & Law	89.0	93.6	-1.1	4.63

Fidelity International Management Ltd.
62-63 Queen St, London EC4 1AD 01-248 4891

American (z)	35.0	37.7	+0.2	0.72
Amer. Spec. Sits. (z)	26.1	28.1	+0.3	0.83
Gilt + Fixed Int.	24.9	26.3	.....	12.06
Growth + Income	31.4	33.8	-0.4	6.99
Maximum Inc. Eq. Tst.	26.5	28.6	-0.2	8.84
Special Sits.	38.4	41.3	-0.4	1.89

James Finlay Unit Trust Mngt. Ltd.
10-14, West Nile Street, Glasgow. 041-204 1321

J. Finlay Internat'l	38.1	41.0	.....	2.15
Accum. Units	47.2	50.8	.....	2.15
J. Finlay High Income	36.2	38.9	.....	9.85
Finlay Wld. Energy	18.3	19.7	-0.1	1.71
Accum. Units	23.6	25.4	-0.1	1.71
J. Finlay Fd. In. Tst.	37.8	40.6	.....	5.01
Accum. Units	47.8	51.4	.....	5.01

Prices on Mar. 4. Next dealing Mar. 11.

Framlington Unit Mgt. Ltd. (a)

INSURANCE PROPERTY BONDS

OFFSHORE & OVERSEAS FUNDS

Continued on previous page

FT SHARE INFORMATION SERVICE

BRITISH FUNDS

1980-81 High	Low	Stock	Price £	+ or —	Yield Int.	Red.

"Shorts" (Lives up to Five Years)

[illegible]

Five to Fifteen Years

[illegible]

Over Fifteen Years

[illegible]

High	Low	Stock	Price £	+ or —	Int.	Red.
92¾	86⅛	Do. 'A'	87⅞	—⅛	13.82	13.87
109	94½	Treas. 13½pc '04-08.	95¾xd	—⅜	14.09	14.04
53¼	42⅞	Treasury 5½pc '08-12‡‡.	47xd	—⅛	11.69	12.04
70¼	57½	Treasury 7¾pc '12-15‡‡.	62⅞	—⅛	12.50	12.62
101½	85⅛	Exch. 12pc '13-'17	92⅛	—⅜	13.44	13.44

Undated

High	Low	Stock	Price £	+ or —	Int.	Red.
34⅞	29	Consols 4pc	31½	......	12.86	—
33⅞	28⅞	War Loan 3½pc‡‡	30½	—¼	11.84	—
37¾	32⅞	Conv. 3½pc '61 Aft.	35¼xd	—⅛	9.86	—
25⅞	21⅛	Treasury 3pc 66 Aft.	23⅝xd	—⅛	12.71	—
22⅞	19½	Consols 2½pc	20½xd	—⅛	12.30	—
22	17⅞	Treasury 2½pc	19⅝xd	—⅛	12.79	—

INTERNATIONAL BANK

High	Low	Stock	Price £	+ or —	Int.	Red.
89¾	78	5pc Stock '77-82	89¾	......	5.57	12.95

CORPORATION LOANS

High	Low	Stock	Price £	+ or —	Int.	Red.
97¾	83⅝	Bath 11¾pc 1985	92¾	......	12.13	13.37
98¾	89½	B'ham 12½pc 1985	97½	......	12.82	13.26
102¾	90	Burnley 13pc 1987	100½	......	13.37	13.65
95¾	82¾	Cardiff 11pc 1986	94⅝	......	12.11	13.35
99⅞	93	G.L.C. 12½pc '82	99⅞	......	12.52	12.61
99	90¼	Do. 12½pc 1983	98½	......	12.69	13.25
94¾	84¾	Glasgow 9¼pc '80-82	94¾	......	9.76	12.77
77	64½	Herts 6½pc 1985-87	74¾	......	9.10	12.76
91½	81¼	Liverpool 9¼pc '80-84	91	......	10.71	13.28
27	24	D. 3½pc Irred.	25¼xd	......	13.94	—
100¼	92¼	Lon. Corp. 13¼pc '83	100	......	13.25	13.23
94	79¾	Do. 9¼pc '84-85	88½	......	10.45	12.69
96⅝	83½	L.C.C. 5½pc '77-81	96⅝xd	......	5.69	12.18
80½	71	Do. 5½pc '82-84	80	......	6.87	13.01
71¼	60½	Do. 5½pc '85-87	70¾	......	7.92	12.68
71¼	60¼	Do 6¾pc '88-90	69½	......	9.85	12.56
24	21	Do. 3pc '20 Aft.	23¼	......	13.12	—
97½	87¾	Sunderland 12½pc 1984	96½	......	[illegible]	[illegible]

COMMONWEALTH AND AFRICAN LOANS

High	Low	Stock	Price £	+ or —	Int.	Red.
95	82¼	Aust. 5½pc '81-82	92⅞xd	......	5.89	12.32
86¼	72½	Do. 6pc 1981-83	86¼	......	7.88	12.75
67¼	58	N.Z. 7¼pc 1988-92	66¼	......	11.15	13.31
82¾	72	Do. 7½pc '83-86	80⅞	......	9.52	13.19
99	88	Sth. Africa 9½pc '79-81	99	+¼	9.96	16.24
160	95	S. Rhod. 2½pc Non-Ass.	125	......	—	—
50	31	Do. 3½pc 80-85 Asstd.	49	......	7.24	22.80
32	20½	Do. 4½pc 87-92 Asstd.	30	......	16.22	24.63
381	270	Zimbabwe Ann (£100pa)	380	......	—	24.08

LOANS

Public Board and Ind.

1980-81 High	Low	Stock	Price £	+ or —	Yield Int.	Red.
64½	56½	Agric. Mt. 5pc '59-89	63	......	8.04	12.41
84	73½	Alcan 10½pc '89-94	79	......	15.06	16.20
30	25	Met. Wtr. 3pc 'B'	28¼	......	10.44	12.56
104½	89	U.S.M.C. 9pc 1982	104	......	8.88	—
96	85½	Do. without Warnts.	96	......	9.63	14.38

Financial

High	Low	Stock	Price £	+ or —	Int.	Red.
101½	93½	FFI 14pc '83	101	......	13.86	13.53
91½	79½	FFI(UK Fa)5½pcDb. '80-2	89½xd	......	6.12	12.89
88½	71½	Do. 6¼pcDb. '81-84	82	......	7.80	13.18
93	80½	Do. 10½pc Uns.Ln. '86	90½	......	11.83	13.80
92½	77	Do. 11pc Uns.Ln. '88	89½	......	12.55	13.40
96	82	Do. 11¾pc Uns.Ln. '90	90	......	13.29	14.10
101	84½	Do. 12½pc Un. Ln. 1992	88½xd	......	14.12	14.60
67	56	Do. 7¼pcADeb. '89-92	63	......	11.87	14.20
66½	51½	Do. 7½pcADeb. '91-94	59xd	......	12.28	14.10
76½	64½	Do. 9pc 'A' '91-94	69xd	......	13.04	14.29
71½	61	Do. 8¾pcLn. '92-97	65	......	13.65	14.40

FOREIGN BONDS & RAILS

1980-81 High	Low	Stock	Price £	+ or —	Div. % Gross	Red. Yield
82	43	Antofagasta Rly.	60½	......	—	—
55	50	Do. 5pc Pref.	55	......	—	—
98	98	Chilean Mixed	98	......	3	£3.10
58	18	Chinese 4½pc 1898	23	......	—	—
45	17	Do. 5pc 1912	18	......	—	—
24	11	Do. 5pc 1913	14	......	—	—
24	11	Do. 5pc '25 Boxer	13	......	—	—

[illegible]

AMERICANS

[illegible]

CANADIANS

High	Low	Stock	Price	+ or —	Div. Gross	C'vr	Yld Gr's
10½	570p	Hawker Sid. Can.||	940p	+65	96c	—	3.8
22⅞	12¾	Hollinger $5	18⅝	+⅛	$2.20	—	4.5
11⅞	812p	Hudson's Bay ||	950xd	+10	$1.20	—	4.7
14⅞	765p	Hud.B.Oil G. $2½	855p	−5	57.5c	—	2.5
21⅞	11½	Imperial Oil||	11⅞	−⅛	$1.40	—	4.4
14	765p	Inco||	900xd	+5	SUS72c	—	3.5
565p	425p	Int. Nat. Gas $1	565p	+10	$1.00	—	6.6
495p	135p	Massey Ferg.||	175p	......	—	—	—
200p	95p	Place Gas $1	100p	......	—	—	—
14⅞	10½	Rio Algom	12⅞	+⅛	$1.50	—	4.5
*22⅞	14⅛	Royal Bk.Can. $2	22⅝xd	+⅛	$2.88	—	4.7
27½	15⅞	Seagram Co. C$1	25⅞xd	+⅞	US$1.48	—	2.4
13⅞	890p	Tor. Dom. Bk. $1.	12⅞xd	+⅛	$1.60	—	4.7
10½	750p	Trans Can. Pipe	10⅛	+⅛	$1.16	—	4.2

BANKS AND HIRE PURCHASE

[illegible]

Hire Purchase, etc.

[illegible]

BEERS, WINES AND SPIRITS

[illegible]

BUILDING INDUSTRY, TIMBER AND ROADS

[illegible]

CHEMICALS, PLASTICS

[illegible]

DRAPERY AND STORES

[illegible]

ELECTRICALS

[illegible]

ELECTRICALS—Continued

[illegible]

ENGINEERING MACHINE TOOLS

[illegible]

FOOD, GROCERIES, ETC.

[illegible]

FOOD, GROCERIES—Cont.

[illegible]

HOTELS AND CATERERS

[illegible]

INDUSTRIALS (Miscel.)

[illegible]

هكذا من الأصل

INDUSTRIALS—Continued

[illegible]

INSURANCE

[illegible]

INSURANCE—Continued

[illegible]

LEISURE

[illegible]

MOTORS, AIRCRAFT TRADES

Motors and Cycles

[illegible]

Commercial Vehicles

[illegible]

Components

[illegible]

Garages and Distributors

[illegible]

NEWSPAPERS, PUBLISHERS

[illegible]

PAPER, PRINTING ADVERTISING

[illegible]

PROPERTY

[illegible]

PROPERTY—Continued

[illegible]

SHIPPING

[illegible]

SHOES AND LEATHER

[illegible]

SOUTH AFRICANS

[illegible]

TEXTILES

[illegible]

TOBACCOS

[illegible]

TRUSTS, FINANCE, LAND

Investment Trusts

[illegible]

INVESTMENT TRUSTS—Cont.

[illegible]

Finance, Land, etc.

[illegible]

FINANCE, LAND—Continued

[illegible]

OIL AND GAS

[illegible]

OVERSEAS TRADERS

[illegible]

RUBBERS AND SISALS

[illegible]

TEAS

India and Bangladesh

[illegible]

Sri Lanka

[illegible]

Africa

[illegible]

MINES

Central Rand

[illegible]

Eastern Rand

[illegible]

Far West Rand

[illegible]

O.F.S.

[illegible]

Finance

[illegible]

Diamond and Platinum

[illegible]

Central African

[illegible]

MINES—Continued

Australian

[illegible]

Tins

[illegible]

Copper

[illegible]

Miscellaneous

[illegible]							
97	40	Barymin	47	—	—	—	—
17	12	Burma Mines 10p	$14\frac{1}{2}$	......	0.62	1.1	6.2
445	53	Colby Res. Corp.	285	−6	—	—	—
502	200	Cons. Murch. 10c.	230	......	Q30c	1.8	7.5
180	75	††Hemerdon 10c.	85	......	—	—	—
225	36	Highwood Res.	155	......	—	—	—
585	300	Northgate C$1	308	......	—	—	—
*486	322	R.T.Z.	428	+8	t16.0	3.2	5.3
£115	£93½	Do.9%%Cn.Un.Ln.'95-2000	£104	+2½	Q9½%	—	f9.5
143	91	††SPO Minerals 10p	142	......	—	—	—
58	26	Sabina Inds. C$1.	33	−2	—	—	—
51	28	††SWCM 10p	28	−1	—	—	—
660	411	Tara Explrn. $1	475	......	—	—	—

NOTES

Unless otherwise indicated, prices and net dividends are in pence and denominations are 25p. Estimated price/earnings ratios and covers are based on latest annual reports and accounts and, where possible, are updated on half-yearly figures. P/Es are calculated on "net" distribution basis, earnings per share being computed on profit after taxation and unrelieved ACT where applicable; bracketed figures indicate 10 per cent or more difference if calculated on "nil" distribution. Covers are based on "maximum" distribution; this compares gross dividend costs to profit after taxation, excluding exceptional profits/losses but including estimated extent of offsettable ACT. Yields are based on middle prices, are gross, adjusted to ACT of 30 per cent and allow for value of declared distribution and rights.

- ● "Tap" Stock.
- * Highs and Lows marked thus have been adjusted to allow for rights issues for cash.
- † Interim since increased or resumed.
- ‡ Interim since reduced, passed or deferred.
- ‡‡ Tax-free to non-residents on application.
- φ Figures or report awaited.
- ✱ USM; not listed on Stock Exchange and company not subjected to same degree of regulation as listed securities.
- †† Dealt in under Rule 163(2)(a); not listed on any Stock Exchange and not subject to any listing requirements.
- ‡‡ Dealt in under Rule 163(3).
- ✱ Price at time of suspension.
- ¶ Indicated dividend after pending scrip and/or rights issue: cover relates to previous dividends or forecasts.
- ◆ Merger bid or reorganisation in progress.
- ✱ Not comparable.
- ◆ Same interim: reduced final and/or reduced earnings indicated.
- § Forecast dividend; cover on earnings updated by latest interim statement.
- ‡ Cover allows for conversion of shares not now ranking for dividends or ranking only for restricted dividend.
- ✱ Cover does not allow for shares which may also rank for dividend at a future date. No P/E ratio usually provided.
- ♥ Excluding a final dividend declaration.
- ** Regional price.
- ǁ No par value.

§§ Yield based on assumption Treasury Bill Rate stays unchanged until maturity of stock. a Tax free. b Figures based on prospectus or other official estimate. c Cents. d Dividend rate paid or payable on part of capital; cover based on dividend on full capital. e Redemption yield. f Flat yield. g Assumed dividend and yield. h Assumed dividend and yield after scrip issue. j Payment from capital sources. k Kenya. m Interim higher than previous total. n Rights issue pending. q Earnings based on preliminary figures. s Dividend and yield exclude a special payment. t Indicated dividend: cover relates to previous dividend, P/E ratio based on latest annual earnings. u Forecast dividend: cover based on previous year's earnings. v Tax free up to 30p in the £. w Yield allows for currency clause. y Dividend and yield based on merger terms. z Dividend and yield include a special payment: Cover does not apply to special payment. A Net dividend and yield. B Preference dividend passed or deferred. C Canadian. E Minimum tender price. F Dividend and yield based on prospectus or other official estimates for 1981-82. G Assumed dividend and yield after pending scrip and/or rights issue. H Dividend and yield based on prospectus or other official estimates for 1980-81. K Figures based on prospectus or other official estimates for 1979-80. M Dividend and yield based on prospectus or other official estimates for 1980. N Dividend and yield based on prospectus or other official estimates for 1981. P Figures based on prospectus or other official estimates for 1980-81. Q Gross. T Figures assumed. Z Dividend total to date.

Abbreviations: xd ex dividend; xc ex scrip issue; xr ex rights; xa ex all; xk ex capital distribution.

REGIONAL MARKETS

The following is a selection of London quotations of shares previously listed only in regional markets. Prices of Irish issues, most of which are not officially listed in London, are as quoted on the Irish exchange.

Albany Inv. 20p	41	......	**IRISH**		
Bertam	$11\frac{1}{2}$	......	Conv. 9% '80/82	£98	......
Bdg'wtr. Est. 50p	545	......	Nat. 9¾% 84/89	£75⅝	......
Craig & Rose £1	£11¾	......	Fin. 13% 97/02	£79⅝	......
Fife Forge	41	......	Alliance Gas	52	......
Finlay Pkg. 5p	20	......	Arnott	235	......
Graig Ship. £1	£20	......	Carroll (P.J.)	83	......
Higsons Brew.	67	−3	Concrete Prods.	94	......
Holt (Jos) 25p	400	+10	Heiton (Hldgs.)	38xd	......
I.O.M. Stm. £1	160xd	......	Ins. Corp.	395	......
Pearce (C. H.)	300	......	Irish Ropes	40	......
Peel Mills	$82\frac{1}{2}$	......	Jacob	40	......
Sheff. Refrsht	93	......	T.M.G.	24	......
Sindall (Wm.)	135	......	Unidare	82xd	......

OPTIONS

3-month Call Rates

Industrials		I.C.I.	28	Utd. Drapery	$6\frac{1}{2}$
A. Brew	7	"Imps"	7	Vickers	14
BOC Intl.	9	I.C.L.	9	Woolworths	5
B.S.R.	$4\frac{1}{2}$	Inveresk	3		
Babcock	11	Ladbroke	24	**Property**	
Barclays Bank	40	Legal & Gen.	20	Brit. Land	8
Beecham	15	Lex Service	9	Cap. Counties	11
Blue Circle	30	Lloyds Bank	28	Land Secs.	35
Boots	20	"Lofs"	4	MEPC	20
Bowaters	20	London Brick	6	Peachey	6
B.A.T.	25	Lucas Inds.	28	Samuel Props.	15
Brown (J.)	$6\frac{1}{2}$	"Mams"	28	Town & City	$2\frac{3}{4}$
Burton	10	Mrks. & Spncr.	9		
Cadburys	6	Midland Bank	32	**Oils**	
Courtaulds	6	N.E.I.	7	Brit. Petroleum	36
Debenhams	8	Nat. West. Bank	32	Burmah Oil	19
Distillers	27	P & O Dfd.	12	Charterhall	11
Dunlop	$7\frac{1}{2}$	Plessey	25	KCA	22
Eagle Star	22	Racal Elect.	32	Premier	10
F.N.F.C.	$3\frac{1}{2}$	R.H.M.	4	Shell	40
Gen. Accident	30	Rank Org.	16	Tricentrol	34
Gen. Electric	50	Reed Intnl.	18	Ultramar	48
Glaxo	22	Sears	$4\frac{1}{2}$		
Grand Met	14	Tesco	$5\frac{1}{2}$	**Mines**	
G.U.S. 'A'	48	Thorn	28	Charter Cons.	20
Guardian	32	Trust Houses	18	Cons. Gold	45
G.K.N.	16	Tube Invest.	18	Lonrho	10
Hawker Sidd.	28	Unilever	50	Rio T. Zinc	45
House of Fraser	15	U.D.T.	$4\frac{1}{2}$		

A selection of Options traded is given on the London Stock Exchange Report page

"Recent Issues" and "Rights" Page 22

This service is available to every Company dealt in on Stock Exchanges throughout the United Kingdom for a fee of £500 per annum for each security

FINANCIAL TIMES
Saturday March 7 1981

MAN OF THE WEEK

The Board was re-elected

BY ANTONY ROBINSON

UNANIMOUS re-election as chairman of the world's largest multinational enterprise to rhythmic applause from 5,000 happy shareholders—this is the stuff of which only dreams are made for the average western top executive. But the dream came true for Leonid Ilyich Brezhnev this week as he was re-elected General Secretary of the Soviet Communist Party for the third time at the end of the 26th Party Congress in Moscow.

Leonid Brezhnev
His managerial style is that of the committee man.

To crown it all Mr. Brezhnev managed to get the rest of his board re-elected, as well as ensuring that his son Yuri, and son-in-law Yuri Churbanov, were elected to the executive advisory board, or Central Committee as it is called. Board members re-confirmed in office included Dimitri Ustinov (73), responsible for deterring take-over bids and expanding foreign subsidiaries, and Mikhail Suslov (78), guardian of the company song book and deep thinker on theoretical issues. Even 82-year-old Arvid Pelshe kept his board seat, but this was seen mainly as a sentimental gesture. Mr. Pelshe after all took part in the orginal takeover bid back in 1917 which first got the show on the road.

Yuri Andropov, a close neighbour of Mr. Brezhnev and the man in charge of company security, also retained his post alongside the other members representing major provincial subsidiaries.

To some extent the goodwill shown by shareholders last week was sligtly puzzling. Profits were down in many of the industrial subsidiaries, due to low productivity, the higher costs of new investment and poor labour discipline. Down on the farm three bad harvests out of five and low returns on heavy past investment cast doubt on the wisdom of allocating 27 per cent of the investment budget to this sector without some fundamental changes in the system.

Prospects in export markets also looked worse than expected, thanks to major new investments planned by the major competitor in the key defence sector and what appeared to be a decline in credibility in third world markets due to some rather aggressive salesmanship in Afghanistan. Trade union problems in the Polish subsidiary also posed problems for overall group liquidity.

Despite the setbacks, however, shareholders were clearly in no mood for change, partly because of the absence of a credible alternative candidate. This is largely due to Mr. Brezhnev's own skill in spotting potential contenders early on and arranging sideways promotion for them.

But Mr. Brezhnev's basic strength lies in the fact, that unlike some of his predecessors, he has not let power go to his head. Certainly he is not averse to praise for his political, literary and human qualities. But his managerial style is that of the committee man. He seeks consensus rather than imposes his own views. He appears to be genuinely upset about poor performance in the consumer goods division.

Mr. Brezhnev is not exactly a popular leader; he inspires neither fear, like Stalin, nor the complex mixture of popularity and contempt achieved by Khruschev. But many Russians regard him as being better than most of his contemporaries in the boardroom and possibly better than his successors might turn out to be as well. They have grown used to him and the relative improvement in living standards of the 16 Brezhnev years. But out there in the real world beyond the Kremlin boardroom lie many frustrated hopes and unsolved problems which have been allowed to accumulate. By clinging to the executive chair for so long Mr. Brezhnev has failed to provide any guarantees for a smooth takeover of power in future.

NEB to create subsidiary for smaller investments

BY JOHN ELLIOTT, INDUSTRIAL EDITOR

A NEW method of injecting private sector capital into the activities of the National Enterprise Board has been approved by the Government and is about to be announced. It involves the creation of a £10m company which will take over about nine of the board's smaller investments.

Negotiations are at an advanced stage for financial institutions to take a stake of more than 50 per cent in the company, which the NEB hopes will eventually become entirely owned by the private sector.

It is thought that the company, which will start as a NEB subsidiary, might also raise further funds from the private sector for investing in other businesses.

These developments are in line with the Government's policy that the NEB should gradually shed most of its investments in businesses which can survive without State funds and that, at the same time, it should do more to help small concerns with growth potential.

The NEB is also to set up another subsidiary which will provide loans of up to £50,000 to small businesses, usually in partnership with other institutions.

The part-time chairman of the new company taking over the existing NEB investments is expected to be Mr. John Oakley, chairman of Berwick Timpo, the toy manufacturer, and a director of other companies. He will probably be backed up by a small executive staff, recruited by the NEB to manage the investments.

Among the board's investments expected to be handed over are four businesses with fewer than 100 employees.

They are: Aqualisa, manufacturers of shower valves, in which the NEB has a 40 per cent stake; Baviscrown, which was hived off from Sinclair Radionics in 1979 to make electronic test and measuring equipment with a 94 per cent NEB stake; Powerdrive, manufacturers of industrial clutches and brakes, in which the NEB has a 40 per cent stake; and Preformed Road Markings, makers of thermoplastic road markings, in which the NEB took a 25 per cent stake last year.

Some of the businesses to be included in the package have made losses in the past couple of years but the NEB believes almost all of them will soon become fully viable.

The idea of the NEB setting up subsidiaries for some of its companies was developed by Sir Leslie Murphy, its former chairman, for the board's major electronic holdings.

This plan foundered with the last General Election but was revived last year by Sir Arthur Knight, the then chairman, Sir John King, his temporary successor, and Sir Freddie Wood, the present chairman, then developed the plan for the small investments.

The NEB is currently selling stakes in a considerable number of its investments in the computer and other areas.

Metro sales rival Ford Cortina

BY KENNETH GOODING, MOTOR INDUSTRY CORRESPONDENT

THE METRO nearly pushed the Ford Cortina out of first place in the list of best-selling cars last month and is now accounting for about half of BL's sales.

But statistics from the Society of Motor Manufacturers and Traders show clearly that Metro is taking trade away mainly from BL's own Mini and Allegro models.

BL admits the substitution element is larger than it forecast, but insists that the main objective in launching the Metro was to achieve a higher overall market share.

The Metro helped to push BL's share of registrations up to 20.7 per cent in February compared with 16.8 per cent in the same month last year. In the first two months of 1981, BL has taken 19.1 per cent against 15.8 per cent last year, when its fortunes were at their lowest ebb.

The group is far from being on solid ground yet, however. In January, when private buyers —as opposed to the company fleet purchasers — predominate and conditions are therefore more favourable for BL, it won under 18 per cent of total sales.

Its main rival — Ford — suffered reduced registrations in February due to the dispute with its own drivers at Dagenham and the action which followed among dirvers of the company which distributes its cars in South-East England.

Ford estimates this cost it at least 1.5 per cent of the market in February. As a result, its share was 30.55 against 32.21 per cent in the same month last year.

The Fiesta — Ford's rival to the Metro — had its best month ever in market-share terms with over 8 per cent. The Cortina just pipped the Metro into first place with sales of 12,580 (a 10 per cent share) against 12,047.

Production of the new Escort has been plagued by minor disputes at the Halewood plant, but it took fourth place in February with sales of 9,024.

Total new car sales in February at 122,745 were 15.86 per cent lower than in the same month last year. It was the lowest February level since 1976, according to the SMMT.

In February importers took 53.67 per cent of all sales against 57.7 per cent in February 1980 mainly because, in spite of the difficulties at its UK plants, Ford is cutting back substantially the imported proportion of its vehicles. It was down from 53 to 44 per cent in February and from 53 to 38 per cent for the first two months.

For the two months, total registrations at 258,835 were 15.13 per cent below those for the same period last year. Imports accounted for 53.3 per cent against 58.6 per cent.

The February top 10 in full were: 1, Ford Cortina (12,580); 2, Austin Metro (12,047); 3, Ford Fiesta (10,556); 4, Ford new Escort (9,024); 5, Morris Ital/Marina (3,579); 6, Datsun Cherry (3,353); 7, Vauxhall Chevette (3,079); 8, Vauxhall Cavalier (2,663); 9, Austin Mini (2,298); 10, Datsun Sunny (2,297).

Car registrations, Page 3

Peking reshuffles top posts

BY COLINA MACDOUGALL IN LONDON AND TONY WALKER IN PEKING

PEKING HAS announced a major Government reshuffle, involving more than a dozen top Ministerial posts. Included are a number of powerful positions whose incumbents may have a decisive role in the struggle for power in China, as well as senior economic jobs.

Vice-Chairman Deng Xiaoping, China's paramount leader, has apparently strengthened his grip, but he has not been able to eject from the top ranks of government either the more conventionally minded leaders or the powerful clique that formed Chairman Hua Guofeng's think-tank in 1977 and 1978.

The appointments reflect the change in China's priorities in the past three months. Agriculture, light industry, power, communications, textiles, and two of the troubled machine-building Ministries have received new Ministers.

Population control gets new prominence, with the formation of a new state family planning commission. The incoming Ministers will be expected to implement China's new cautious growth policies, and to emphasise higher standards of living.

Geng Biao, whose appointment as Minister of Defence, succeeding the elderly Xu Xianggen, has been rumoured for over a year, clinches the prolonged argument over the key jobs, probably in favour of Deng.

Geng combines military with foreign experience. He took part in the historic Long March of the 1930s and rose to the rank of general by the end of the civil war in China. He has held several important Ambassadorial posts

However, while he probably favours modernisation, his military background may be strong enough to cause him to oppose liberal reform in China.

Two key economic appointments have been made. Yuan Boahua has been named Minister in charge of the tSate Economic Commission, while Ham Guang is to head the crucial State Construction Commission. It is trying to rationalise its work in accordance with the leadership's policy of spending cuts.

Both men have been promoted from vice ministerial posts in the commissions to implement Deng's vital new retrenchment policies.

They have replaced men who were associated with China's grandiose plans for crash modernisation, announced in 1978, Kang Shien and Gu Mu respectively. Kang was severely censured at last year's meeting of the National People's Congress for his role in al oil rig accident; but he has been appointed Minister of Petroleum. The former incumbent was sacked as the chief culprit in the accident.

MLR cuts

Continued from Page 1

There seems no doubt, however, that some reduction in building society interest rates will be announced by the societies on Friday.

If MLR is cut by two percentage points the chances are that the investors' ordinary share rate of 9.25 per cent will be cut to about 8.5 per cent, leaving room for a reduction of about one percentage point in the present recommended 14 per cent mortgage rate.

If MLR is cut by three percentage points the ordinary share rate might drop to about 8 per cent which could mean a cut in mortgage rate of up to two percentage points. New loans will be cheaper at once and the cost of existing loans and investors' rates will probably be reduced from April 1.

The downward trend in money market interest rates was underlined yesterday at the weekly Treasury bill tender where the average rate of discount dropped by 0.19 points to 11.39 per cent. This is the lowest level since early June, 1979, when MLR was 12 per cent.

Under the now abandoned formula for fixing MLR, yesterday's average rate would have indicated MLR of 12 per cent compared with the 12½ per cent level suggested a week ago.

Three month interbank rate —a key influence on the cost of part of the clearers' deposits —was 12⅝ per cent last night.

Permit given for dockland printworks

BY ANDREW TAYLOR

ASSOCIATED NEWSPAPERS, publisher of the Daily Mail, has been granted outline planning permission to build a new print works in the Surrey Docks area in London.

Associated has still to make a final decision whether to move the printing of the Mail and a possible new Sunday newspaper from its present works just south of Fleet Street.

Associated is the third national newspaper group to anounce plans to move printing operations from the Fleet Street area to London's former docklands.

News International — which operates the Sun and the News of the World — is building a 1m sq ft printworks in the former London Docks. The Daily Telegraph has announced plans to build a 250,000 sq ft printworks next door to the News International development.

Southwark council has given Associated outline permission for a new 150,000 sq ft printworks on 5¼ acres of land in the docks. The company is now negotiating with the council with a view to purchasing a long lease on the site, but it said last night that it could be at least 12 months before a final decision was taken.

A decision by Associated Newspapers to move to Surrey docks would allow the group's existing offices in Northcliffe House and New Carmelite House to be developed as potential major office sites.

Even if the group decides to go ahead with plans to acquire a lease on the Surrey docks site it could be at least 6 to 10 years before development work is completed. Associated Newspapers' plans call for an initial 150,000 sq ft print works but with a provision to build a further 220,000 sq ft.

The group—which says it will have "to move from its existing offices at some stage"—has already looked at several alternative sites in docklands. At one time it was interested in the site where the Daily Telegraph now plans to build its new works. Associated Newspapers was also named as a possible tenant for the major office, shops and industrial development proposed by Lysander Estates for the key 120-acre Southwark site in Surrey docks.

UK banks sign big Zimbabwe loan deal

BY MARK WEBSTER

A SYNDICATE of British banks has signed part of the biggest UK loan package to Zimbabwe since its independence last year. The loan will help finance the development of the Wankie power station.

Standard Chartered Merchant Bank has signed a £29m project line of credit backed by the Export Credits Guarantee Department. A $50m Eurodollar credit is expected to be signed soon.

Services

The other banks in the syndicate are Banque de Paris et des Pays Bas, Barclays International and Lloyds International. The £29m loan is repayable over 10 years from commissioning, the Eurodollar credit over seven years.

The loan will help to finance contracts placed in the UK by Zimbabwe's Electricity Supply Commission for plant, equipment and services connected with the first stage of the power station development.

About 20 British companies should eventually be awarded contracts. Some have concluded contracts already, including Merz and McLennon as consultants and design engineers for the project; AWS Delta for water treatment; BSC, Tube Investments and Babcocks for piping; Mather and Platt for pumps and Amalgamated Power Engineering.

Largest slice

Stage one of the power station will cost Z$340m (£242m). Britain has secured the largest single slice of the contracts, with others going to France and West Germany.

UK exporters will receive 85 per cent of the contract value from the loan with the balance payable from the Electricity Supply Commission's own resources.

Stage one will involve building a 4x 120 megawatt thermal power station sited next to the Wankie colliery which recently announced a major expansion programme. A feasibility study is being carried out on a possible 1,200 megawatt extension.

Weather

UK TODAY

Cloudy with outbreaks of rain. Hill and coastal fog in western districts.

London, Midlands, E., N. England, N. Ireland
Rain heavy at times, becoming more intermittent. Max. 11C (52F).

S. England, Wales, Channel Is.
Outbreaks of rain. Hill and coast fog. Max. 12C (54F).

S., Central and N.W. Scotland
Sunny intervals, becoming cloudy with rain later. Max. 9C (48F).

E., N.E. Scotland, Orkneys, Shetlands
Mostly dry, some sunny intervals. Max. 8C (46F).

Outlook
Continuing changeable. Mild in the South, near normal in the North.

WORLDWIDE

		Y'day midday °C	°F			Y'day midday °C	°F
Ajaccio	C	13	55	Lisbon	C	16	61
Algiers	S	18	64	Locarno	C	8	46
Amsdm.	R	6	43	London	F	13	55
Athens	F	16	61	Luxmbg.	R	3	37
Barclna.	F	15	59	Luxor	S	32	90
Beirut	S	18	64	Madrid	F	13	55
Belfast	R	7	45	Majorca	C	15	59
Belgrd.	S	13	55	Malaga	S	20	68
Berlin	F	3	37	Malta	F	15	59
Biarritz	F	16	61	M'chstr.	C	11	52
Bmghm.	C	11	52	Melbne.		—	—
Blackpl.	S	9	48	Mex. C.†		—	—
Bordx.	R	13	55	Miami†		—	—
Boulgn.	C	7	45	Milan	C	7	45
Bristol	F	11	52	Montrl.†	Sn	−2	28
Brussels	R	6	43	Moscow	S	−4	25
Budpst.	S	7	45	Munich	F	8	46
Cardiff	F	12	54	Naples	C	13	55
Cas'b'ca	S	16	61	Nwcstl.	F	9	48
Chicg.†	S	−6	21	N York†	C	1	34
Cologne	R	4	39	Nice	R	8	46
Cpnhgn.	C	1	34	Nicosia	C	19	66
Corfu	S	14	57	Oporto	C	16	61
Denver†	S	−3	27	Oslo	S	−8	18
Dublin	F	13	55	Paris	C	10	50
Dbrvnk.	F	13	55	Prague	F	4	39
Ednbgh.	C	7	45	Rykjvk.	Sn	−4	25
Faro	F	17	63	Rhodes	S	18	64
Florence	C	9	48	Rio J'o†		—	—
Frankft.	F	7	45	Rome	F	14	57
Funchal		—	—	Salzbrg.	F	6	43
Geneva	R	6	43	S F'cisc†	F	7	45
Gibraltar	S	19	66	Singapr.		—	—
Glasgow	C	5	41	S'tiago†		—	—
G'nsey	C	9	48	Stckhm.	Sn	−6	21
Helsinki	S	10	50	Strsbg.	C	−6	43
Innsbrk.	F	5	41	Sydney		—	—
Invrnss.	C	4	39	Tangier	S	18	46
I.o.Man	C	9	48	Tel Aviv	S	21	70
Istanbul	S	11	52	Tenerife	S	18	64
Jersey	C	9	48	T'r'nto†	F	−6	21
L. Pkms.	S	19	66	Tunis	C	16	61
				Valencia	S	20	68
				Venice	F	8	46
				Vienna	S	7	45
				Warsaw	C	1	34
				Zurich	F	7	45

C—Cloudy. F—Fair. Fg—Fog. H—Hail. R—Rain. S—Sunny.

هكذا من الأصل

THE LEX COLUMN

A wary wait for the Budget

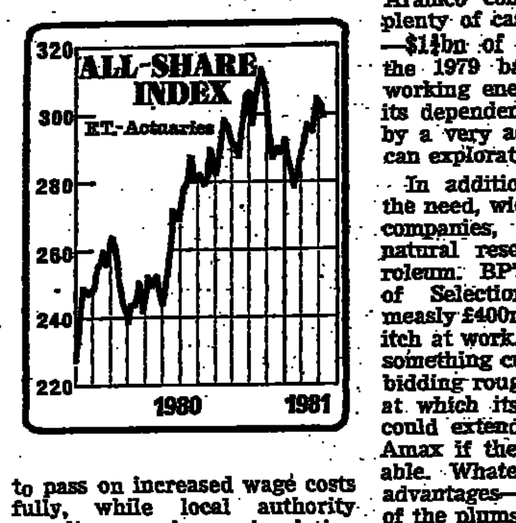
On the basis of its recent performance, the gilt-edged market does not have great expectations of Tuesday's Budget. Yesterday the bears were out again; some of those investors who had hoped to sell into a strong market ahead of Sir Geoffrey Howe's statement were selling anyway. In the long market the 1999 tap, roughly a point dearer, remains a formidable obstacle.

Gilt-edged nerves are not soothed by a two-pronged attack on the Government: from the CBI, with its call for a £6bn reflation, and from an all-party committee of MPs, so sceptical about policy that it wants more access to econometric models. This masochistic request, at least, the Government should be able to satisfy.

Although equities were weak in sympathy with gilt-edged yesterday, the FT 30-Share Index is roughly 12 per cent higher than it was at the time of the March 1980 Budget, since when corporate profits have collapsed and a number of distinguished dividends have been cut. It looks as though equities are discounting pretty fully the help that industry is likely to get from lower interest rates—in itself nothing like enough to satisfy the CBI.

In contrast, long bonds are discounting very little, partly because the Government's present difficulties with public sector pay rather underline its unhappy record of failing to meet its own targets. Perhaps investors are unduly suspicious: it is most unlikely, after all, that monetary targets and economic forecasts will go quite so badly wrong in 1981-82 as they have done in the past financial year.

Index fell 7.1 to 489.1



Rentokil

A company with 53 years of uninterrupted profits growth behind it can be more easily excused for over-optimism than most. Nevertheless, Rentokil's half-time forecast that profits would be "well up" this year has proved sadly short of the mark. A decline in the second half has outbalanced the 14 per cent increase of the first six months to produce a 2 per cent fall to £12.8m for the year. The dividend has been raised 13 per cent regardless.

The biggest difficulties have been seen abroad, where profits have fallen by a third in the second half. New Zealand and Australia have performed poorly and a worldwide shortage of arsenic has affected the Swedish operation in particular. In the more important UK market, it has not been possible to pass on increased wage costs fully, while local authority spending on house insulation has been virtually wiped out. The authorities had accounted for half the total demand, and while the company has managed to maintain volume by switching to domestic sales, margins have been squeezed due to the higher marketing costs here.

The company is now holding down its sales force, and is dubious about progress in the current half. Its dividend is covered more than 1½ times by current cost earnings, but the yield is a mere 2½ per cent at 150p, down 10p, and the historic cost p/e is 23, fully-taxed. In the past few months the discount at which Sophus Berendsen, the Danish parent company, has been valued has narrowed appreciably; any further narrowing may well come through a drop in Rentokil's share price rather than an increase in that of the Danish concern.

Socal/Amax

Standard Oil of California is nothing if not persistent—it is making its third attempt to gain control of Amax with a bid that values the whole of that group at $4.8bn. Previously Amax's opposition and the anti-trust problem created by its energy interests have stood in the way of success. Socal presumably thinks something has changed, if only the complexion of government, since its last offer in 1978. If the bid is seen to be blocked by the Federal authorities it may rule out any major domestic diversification by the biggest U.S. companies.

On short-term considerations, Socal has picked its moment nicely. Amax earnings forecasts are being revised down to below $6 a share, compared with last year's $7.48. Thanks in part to its membership of the Aramco consortium, Socal has plenty of cash to throw around —$1¼bn of liquid holdings in the 1979 balance sheet. It is working energetically to lessen its dependence on Saudi crude by a very active North American exploration programme.

In addition, it clearly feels the need, widespread among oil companies, to diversify into natural resources outside petroleum. BP's recent take-over of Selection Trust (for a measly £400m) showed the same itch at work. But there remains something curious about Socal's bidding roughly twice the price at which its own shareholders could extend their interests in Amax if they thought it desirable. Whatever the long-term advantages—and Amax is one of the plums among the world's natural resources companies—there is bound to be heavy dilution of Socal earnings in the near future.

The counterpart of this dilution is a windfall gain for Amax shareholders, including BP, which now holds Selection Trust's 7 per cent stake in Amax. If the bid goes through BP stands to receive roughly 40 per cent of its purchase price for Selection Trust. Perhaps there is something in this business after all.

NCC Energy

Mr. Graham Ferguson Lacey's latest announcement of the possible sale of NCC Energy to a U.S. uranium mining concern called UNC Resources marks a typically dramatic turn of events; only a month ago he was still buying U.S. assets in pursuit of his policy of turning NCC into a "fully integrated oil and gas company." But it is not a development other NCC shareholders will object to if it leads to a bid worth, say 150p a share. On the news, the NCC share price jumped 26p to 118p.

All may not be plain sailing, however. UNC is no titan—its market capitalisation is some £66m, compared with a little under £40m for NCC, and its recent earnings history has been troubled, although it appears to be back modestly into profit for the current year. Some kind of paper transaction is implied. Yet if the deal succeeds, Mr. Lacey's moves last November to inject two companies (Bernard Wardle and Energy Capital) into NCC in exchange for some 7.3m more shares will have proved very well timed.

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